



**Department of Defense
Defense Finance and Accounting Service
FY 1997 Budget Estimates
March 1996**

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DEPARTMENT OF DEFENSE
DEFENSE FINANCE AND ACCOUNTING SERVICE
FY 1997 BUDGET ESTIMATES
INFORMATION TECHNOLOGY RESOURCES

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**DEPARTMENT OF DEFENSE
DEFENSE FINANCE AND ACCOUNTING SERVICE
FY 1997 BUDGET ESTIMATES**

EXECUTIVE SUMMARY

The Defense Finance and Accounting Service (DFAS) is the Executive Agent responsible for Department of Defense (DoD) finance and accounting functions. Accordingly, DFAS is accountable for DoD finance and accounting procedures, financial management systems, and centralized accounting and finance operations. DFAS finance and accounting systems support five major finance Centers and approximately three-hundred Defense Accounting Offices (targeted for consolidation to twenty-one Operating Locations).

DFAS initiatives consolidate and standardize finance and accounting operations and automated information systems thereby, directly supporting the Department's blueprint for financial management reform and the DoD goal to reduce costs and eliminate unnecessary expenditures. Toward that end, the finance and accounting support mission is being accomplished in the most effective and efficient manner possible. The Department's finance and accounting operation goals, as stated in the Chief Financial Officer's (CFOs) Five-Year Plan, include: complying with statutory requirements, reengineering DoD business and organization practices, standardizing data, and consolidating and revamping finance and accounting systems. It specifically states, "In terms of pay-back for the Department, the most important goal is the consolidation of and improvements to its finance and accounting systems."

The CFO Plan identifies specific strategies designed to achieve the above goals for each business activity. As necessary, DFAS is modifying and implementing standard systems for finance and accounting business activities throughout DoD. Migratory strategies consider the complex environment in terms of the number and diversity of activities and business practices, customer dependency for management information, integration or interface requirements, the maturity of migration strategies in other functional areas, and the number of candidate migration systems to be considered. Where warranted, an iterative approach

is being used to identify customers with similar migration requirements to an interim migratory system in order to quickly collapse the population of supported systems and achieve near-term savings. In addition, interim migratory systems are being modified to correct Federal Managers' Financial Integrity Act weaknesses and fundamental accounting problems, such as a standard general ledger, a standard budget and accounting classification code, adequate costing methods, full property accounting, and adequate documentation.

The migratory strategy identifies an existing system to modify and implement as a standard system throughout the DoD for specific functions. Six systems are identified as migratory systems to-date: Defense Joint Military Pay System (DJMS), Defense Retiree and Annuitant System (DRAS), Defense Civilian Pay System (DCPS), Defense Transportation Payment System (DTPS), Defense Debt Management System (DDMS), and Mechanization of Contract Administration (MOCAS).

Although these systems are in various development and deployment stages, the DFAS budget submission already reflects savings based on system implementation. For example, as a result of the DCPS deployment, DFAS has closed two-hundred and twenty-two civilian pay offices and reduced employment 32 percent. In addition, DRAS is generating an average savings of \$10 million annually. Related to the finance migratory systems implementation, DFAS anticipates savings of approximately \$71 million in FY 1996 and \$98 million in FY 1997.

In the accounting area, DFAS is pursuing an interim-migratory strategy to collapse and migrate systems to consolidated sites. Initially, general accounting systems are being standardized along Component lines and, Defense Business Operating Funds systems are being standardized by Component, within business areas. In the DBOF accounting area, DFAS anticipates reducing the number of systems by 77 percent. In the general accounting area, the number of systems will be reduced by 42 percent by FY 1997.

The following describes changes since the previous budget submission and significant deviations between fiscal years:

1. The infrastructure is fully defined thereby providing local area network connectivity and a standard architecture supporting all DFAS Finance Centers and Operating Locations. This architecture is essential to support reengineered processes and enabling technologies, such as document imaging incorporated into migratory and interim migratory systems at DFAS consolidated sites.

Local Area Networks are installed at fourteen Operating Locations connecting 5,500 end-user workstations. In addition, approximately 2,850 Finance Center and Financial Systems Organization (FSO) end-user workstations are connected, wiring is installed at the Denver and Indianapolis Centers, and wiring installation was initiated at the Columbus Center. During FY 1996, the infrastructure is being installed at four new Operating Locations connecting 1,100 end-user workstations, 2,200 end-user workstations are being added to the fourteen existing Operating Locations, and installation at the Centers and FSO connecting 9,850 end-user workstations. During FY 1997, an additional 2,700 end-user workstations will be added to the Operating Locations. This phased implementation coincides with the Defense Accounting Offices personnel transfer into the consolidated Operating Locations. This program has the following budgetary impacts:

a. Funding increased for capital equipment and software purchases in order to purchase automated data processing and telecommunications.

b. Contracted software support obtained by the FSO to meet the Finance Business area (Support Services - Other) software support requirements decreased in FY 1995.

c. Reimbursement between the DBOF Finance Business area to the Information Services Business area for network use increased (Intra-governmental Payments - Other) in all fiscal years.

d. FY 1996 and FY 1997 operating equipment and software funding increases provide replacement microcomputers complying with the local area network standards and ensure maximum benefit is gained from the networks and supported

applications capabilities. FY 1995 purchases were deferred to synchronize microcomputer purchases with network installations.

e. Contractor support (Other Services) funding increased in all fiscal years in order to support network installation.

f. As the infrastructure is implemented, equipment maintenance and supplies increase in all fiscal years. For example, equipment maintenance costs increase as equipment purchased to support Operating Locations in FY 1994 and FY 1995 is installed.

g. Communications increased to provide funding for one-time installation costs to provide data communications capability between Operating Locations and the supported installations.

2. The FSO reported training in the previous budget submission as Support Services - Software. This has been more appropriately classified as Support Services - Other.

3. Lacking a historical basis to estimate Army activity information processing requirements transferring to the Defense Information Services Agency (DISA), the last budget submission reflected estimates based on an agreement established with the Department of the Army (DA). In addition, the previous budget submission reflected Air Force activity estimates for IPC support transferring to DISA. This budget has been revised to reflect lower estimates provided by DISA.

4. Intra-Governmental Payments - Communications were adjusted to reflect actual billings, which were less than previously estimated based on negotiations with DISA.

5. Base operations support and General Services Administration (GSA) rental fees for the FSO were previously categorized under Support Services - software. These costs have been realigned to Other non-FIP resources.

6. Standard Level User Charges reported under Other Non-FIP Resources - Purchases increased significantly. Ownership of Building 1, Fort Benjamin Harrison, Indianapolis is

transferring from DA to the General Services Administration and DFAS will reimburse GSA for using the building. Our base operations support reimbursement (related to facilities support) to DA, however, has not decreased enough to offset the new GSA rental charge requirement.

7. Intra-governmental Payments - Software decreased in FY 1995 while increasing in the following two years in order to accommodate the net impact of interim migratory system decisions and deferral of migratory system enhancements. For example:

a. Cost analyses for the selected interim migratory accounting systems are completed and reports issued. Enhancements for interim migratory systems are in progress. Deployments for Industrial Fund Accounting System, Standard Army Financial Inventory Accounting and Reporting System - Modernization, Standard Industrial Fund Accounting System, and NAVAIR Industrial Financial Management System are now underway.

The DBOF Corporate Board directed economic analyses be conducted for the Transportation Business Area to review alternative candidate systems and for the Depot Maintenance Business Area to compare a migratory versus interim migratory approach. Consequently, preliminary cost data is developed and technical review completed for the transportation economic analysis. A draft report has been issued by Logistic Management Institute for the Depot Maintenance Economic Analysis.

b. Three commercial off-the-shelf initiatives are approved supporting the Navy Public Works Center Business Area (awarded date March 1996), Defense Printing Service, and the Conventional Ammunition Working Capital Fund. Awards are anticipated to be made during FY 1996 third and fourth quarters.

c. NIFMS is now targeted to support the Research and Development business area as well as Depot Maintenance business areas. Increased costs reflect incorporating the functionality necessary to support the Research and Development business area, as well as deployment.

d. The Material Financial Control System's (MFCS) software development requirements increased in FY 1996 because of

a decision to convert Special Accounting Class 207 and Uniform Automated Data Processing System - Inventory Control Point.

e. The original concept merged Centralized Expenditure/Reimbursement Process System (CERPS) and the Financial Reporting System. Now, the CERPS initiative is expanded to consolidate sixteen systems supporting the Navy Expenditure Reporting and Reconciliation Process.

f. The Corps of Engineer Financial Management System (CEFMS) is under study as a leading candidate interim migratory system and is being tested at a typical Army installation supported by Operating Locations. This will determine the feasibility of expanding the user base beyond the Corps of Engineers.

g. The Defense Procurement Payment System (DPPS) is a new development effort supporting contract and vendor pay. This is a DFAS effort to develop the Standard Contract and Vendor Pay System that, combined with the Standard Procurement System (SPS), will replace MOCAS and the vendor pay interim migratory systems. DPPS will interface with the SPS through a shared data warehouse and is scheduled for implementation during calendar year 1999.

h. Despite the intent to replace MOCAS, we increased MOCAS software development funding in FY 1996 to address prevalidation and unliquidated obligation issues that cannot be deferred.

i. The Air Force General Accounting requirements support strategy is being relooked. The General Ledger/Fund Control System concept development results will determine whether to proceed with a new development effort. At the same time, existing accounting systems supporting the other Military Departments will be considered as alternatives. Funding previously designated for General Accounting and Finance strategies for Depot Maintenance and Departmental was distributed to approved initiatives within this strategy, including; Integrated Accounts Payable System, Contract Payment Accounting System, Departmental Cash Management System, Standard Materiel Accounting System, Depot Maintenance Management Information System, and Financial Inventory Accounting & Billing System.

j. The Standard Finance System (STANFINS) was redesignated a legacy system. It will be replaced by an interim migratory system based on the results of the CEFMS study.

k. The DCPS implementation schedule is modified to accommodate consolidation of Defense Accounting Offices into Operating Locations in order to avoid conflicts with base closures and down-sizing efforts and to synchronize the migration of the DCPS information processing from the Defense Information Processing Center-Washington to the Defense Information Systems Agency Megacenter - Mechanicsburg.

DFAS is continuing to negotiate transfer of management responsibility for financial systems and financial modules of mixed systems from the Defense Agencies and the Military Departments. During FY 1995, DFAS transferred responsibility for 6 Defense Logistics Agency systems, fifteen DA systems, seventeen Department of Navy systems, and 2 Air Force systems. Also, DFAS initiated a study of Air Force systems with imbedded finance and accounting functionality for potential transfer in FY 1997.

Although DFAS has made significant changes supporting development efforts based on the results of studies, analysis and decisions, the basic goals and strategies for consolidating and standardizing financial systems remains unchanged.

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REPORT ON INFORMATION TECHNOLOGY RESOURCES

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Report on Information Technology Resources

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DEPARTMENT OF DEFENSE

DEFENSE FINANCE AND ACCOUNTING SERVICE
Report on Information Technology (IT) ResourcesFY 1997 Budget Estimates
(Dollars in Thousands)

	FY 1995	FY 1996	FY 1997
1. Equipment			
A. Capital Purchases	39,962	38,451	27,730
B. Purchases/Leases	14,675	14,789	10,431
Subtotal	54,637	53,240	38,161
2. Software			
A. Capital Purchases	12,185	4,000	3,000
B. Purchases/Leases	1,711	1,331	1,316
Subtotal	13,896	5,331	4,316
3. Services			
A. Communications	11,065	9,800	8,900
B. Processing	46	48	42
C. Other	18,724	21,692	20,446
Subtotal	29,835	31,540	29,388
4. Support Services			
A. Software	42,670	57,706	50,895
B. Equipment Maintenance	2,947	10,641	12,354
C. Other	8,811	6,333	5,384
Subtotal	54,428	74,680	68,633
5. Supplies			
6. Personnel (Compensation/Benefits)			
A. Software	86,467	85,732	84,629
B. Equipment Maintenance	0	0	0
C. Processing	0	0	0
D. Communications	0	0	0
E. Other	14,850	12,185	7,626
Subtotal	101,317	97,917	92,255
7. Other (Non-FIP Resources)			
A. Capital Purchases	1,876	246	202
B. Other Current	15,368	18,662	17,967
Subtotal	17,244	18,908	18,169
8. Intra-Governmental Payments			
A. Software	242,483	285,807	286,199
B. Equipment Maintenance	0	0	0
C. Processing	172,719	166,509	165,197
D. Communications	18,221	15,300	13,099
E. Other	10,107	15,413	13,874
Subtotal	443,530	483,029	478,369
9. Intra-Governmental Collections			
A. Software	-156,107	-163,322	-156,550
B. Equipment Maintenance	0	0	0
C. Processing	0	0	0
D. Communications	0	0	0
E. Other	-8,693	-25,278	-29,450
Subtotal	-164,800	-188,600	-186,000
NET IT RESOURCES	554,352	579,891	547,304
Workyears	1,822	1,738	1,595
Non-DBOF	0	0	0
DBOF	1,822	1,738	1,595

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<u>Appropriation/Fund</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997</u>
4930 DBOF Operations	324,417	315,762	295,721
4931 DBOF Capital	229,935	264,129	251,583
Total By Appropriation:	554,352	579,891	547,304

NOTE 1: Military Personnel Cost in the DBOF is computed at the equivalent civilian rate as prescribed by the DBOF Guidance.

NOTE 2: FY 1995 estimates reflect a \$50 thousand investment/expense threshold, FY 1996 reflects a \$100 thousand investment/expense threshold as adjusted by Congress (Section 8065 in Public Law 104-61), and for FY 1997, appropriated funds will adhere to the centrally managed criteria in that the Department will budget for the purchase of noncentrally managed items (by definition installation/local level type items) in the O&M appropriation regardless of the unit cost of the item. DBOF will maintain the \$100 thousand threshold for FY 1997 and beyond.

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Defense Finance and Accounting Service
Information Technology Resources by CIM Functional Area
FY 1997 Budget Estimates
(Dollars in Thousands)

	FY 1995	FY 1996	FY 1997
A. Core DII - Value Added Services			
1. Major Systems/Initiatives			
Electronic Document Management Program (EDM)			
Development/Modernization	18,270	12,300	29,474
Current Services	1,179	2,737	3,320
Subtotal	19,449	15,037	32,794
Appropriation/Fund			
DBOF Operations	1,179	4,317	4,435
DBOF Capital	18,270	10,720	28,359
2. Non-Major Systems/Initiatives			
3. All Other Core DII - Value Added Services			
Development/Modernization	27,774	26,403	9,589
Current Services	879	1,122	944
Subtotal	28,653	27,525	10,533
Appropriation/Fund			
DBOF Operations	1,333	2,310	1,872
DBOF Capital	27,320	25,215	8,661
4. Total Core DII - Value Added Services			
Development/Modernization	46,044	38,703	39,063
Current Services	2,058	3,859	4,264
Subtotal	48,102	42,562	43,327
Appropriation/Fund			
DBOF Operations	2,512	6,627	6,307
DBOF Capital	45,590	35,935	37,020
B. Finance			
1. Major Systems/Initiatives			
Defense Joint Military Pay System (DJMS)			
Development/Modernization	9,266	6,310	8,869
Current Services	10,062	8,929	3,552
Subtotal	19,328	15,239	12,421
Appropriation/Fund			
DBOF Operations	10,106	8,981	3,421
DBOF Capital	9,222	6,258	9,000
Standard Accounting And Reporting System (STARS)			
Development/Modernization	17,702	17,444	13,066
Current Services	37,449	37,476	39,615
Subtotal	55,151	54,920	52,681
Appropriation/Fund			
DBOF Operations	37,449	37,476	39,615
DBOF Capital	17,702	17,444	13,066
2. Non-Major Systems/Initiatives			
Defense Business Management System (DBMS)			
Development/Modernization	10,314	11,438	10,400
Current Services	25,362	24,449	24,217

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Information Technology Resources by CIM Functional Area
FY 1997 Budget Estimates
(Dollars in Thousands)

	FY 1995	FY 1996	FY 1997
Subtotal	35,676	35,887	34,617
Appropriation/Fund			
DBOF Operations	25,362	24,449	24,217
DBOF Capital	10,314	11,438	10,400
Defense Civilian Pay System (DCPS)			
Development/Modernization	14,556	15,393	14,051
Current Services	24,043	20,035	17,011
Subtotal	38,599	35,428	31,062
Appropriation/Fund			
DBOF Operations	24,293	20,347	17,041
DBOF Capital	14,306	15,081	14,021
Defense Joint Military Pay Sys - Active Component			
Development/Modernization	11,360	10,163	8,853
Current Services	9,115	8,800	8,802
Subtotal	20,475	18,963	17,655
Appropriation/Fund			
DBOF Operations	12,360	13,396	13,004
DBOF Capital	8,115	5,567	4,651
Defense Procurement Pay System (DPPS)			
Development/Modernization	5,300	9,299	13,865
Current Services	0	2,250	2,347
Subtotal	5,300	11,549	16,212
Appropriation/Fund			
DBOF Operations	0	2,349	2,362
DBOF Capital	5,300	9,200	13,850
Defense Property Accountability System (DPAS)			
Development/Modernization	6,695	5,997	5,700
Current Services	0	3,941	6,952
Subtotal	6,695	9,938	12,652
Appropriation/Fund			
DBOF Operations	0	3,941	6,952
DBOF Capital	6,695	5,997	5,700
Defense Retiree And Annuitant Pay System (DRAS)			
Development/Modernization	1,981	2,297	3,549
Current Services	8,069	4,782	4,821
Subtotal	10,050	7,079	8,370
Appropriation/Fund			
DBOF Operations	8,095	4,794	4,888
DBOF Capital	1,955	2,285	3,482
Marine Corps Total Force System (MCTFS)			
Development/Modernization	8,491	5,684	7,242
Current Services	4,917	4,299	3,836
Subtotal	13,408	9,983	11,078
Appropriation/Fund			
DBOF Operations	4,917	4,299	3,836

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Information Technology Resources by CIM Functional Area
FY 1997 Budget Estimates
(Dollars in Thousands)

	FY 1995	FY 1996	FY 1997
DBOF Capital	8,491	5,684	7,242
Mechanization Of Contract Administration Services (MOCAS)			
Development/Modernization	5,233	7,311	4,798
Current Services	7,523	7,303	7,220
Subtotal	12,756	14,614	12,018
Appropriation/Fund			
DBOF Operations	7,523	7,303	7,220
DBOF Capital	5,233	7,311	4,798
NAVAIR Industrial Financial Management System (NIFMS)			
Development/Modernization	974	13,099	14,297
Current Services	4,356	4,179	4,300
Subtotal	5,330	17,278	18,597
Appropriation/Fund			
DBOF Operations	4,512	4,179	4,300
DBOF Capital	818	13,099	14,297
Standard Finance System (STANFINS)			
Development/Modernization	4,556	651	1,244
Current Services	9,807	9,488	8,695
Subtotal	14,363	10,139	9,939
Appropriation/Fund			
DBOF Operations	9,819	9,581	8,709
DBOF Capital	4,544	558	1,230
3. All Other Finance			
Development/Modernization	111,963	148,458	128,888
Current Services	157,156	147,854	137,787
Subtotal	269,119	296,312	266,675
Appropriation/Fund			
DBOF Operations	177,469	168,040	153,849
DBOF Capital	91,650	128,272	112,826
4. Total Finance			
Development/Modernization	208,391	253,544	234,822
Current Services	297,859	283,785	269,155
Subtotal	506,250	537,329	503,977
Appropriation/Fund			
DBOF Operations	321,905	309,135	289,414
DBOF Capital	184,345	228,194	214,563

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	FY 1995	FY 1996	FY 1997
CIM Grand Total			
Development/Modernization	254,435	292,247	273,885
DBOF Operations	24,500	28,118	22,433
DBOF Capital	229,935	264,129	251,452
Current Services	299,917	287,644	273,419
DBOF Operations	299,917	287,644	273,288
DBOF Capital	0	0	131
Total	554,352	579,891	547,304
Appropriation/Fund			
DBOF Operations	324,417	315,762	295,721
DBOF Capital	229,935	264,129	251,583

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Note: Systems deleted since the FY 1996/1997 Biennial Budget Estimates:

Center Level Disbursing System (HQ4113) has been restructured to apply funding to the specific initiatives such as unmatched disbursements, prevalidation, etc. The development funding has been distributed among several finance and accounting systems.

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DESCRIPTIVE SUMMARY**

General Accounting and Finance System - Base Level (DE7109) the current estimate for Information Processing Center support from DISA is significantly less than previously projected from the Air Force.

Integrated Disbursing and Accounting Financial Management System (WC7318) was merged into Standard Accounting and Reporting System (DN7306).

NAVSUP Uniform ADP System - Stock Points (DN6209) will be replaced by the Standard Accounting and Reporting System (DN7306).

Standard Finance System - Redesign Subsystem I (IN04115) deferred the Terminal Application Processing System conversion to the Customer Information Control System basic mapping support software environment.

Systems added since the FY 1996/1997 Biennial Budget Estimates:

Defense Procurement Pay System (XX0010) is a new development effort. When fully implemented, it will replace the MOCAS payment module and the interim migratory vendor pay systems.

Defense Property Accountability System (OD7505) implementation schedule was accelerated DoD-wide based on successful DFAS implementation and operation.

System name change since the FY 1996/1997 Biennial Budget Estimates:

Document Imaging (BPA 14-2), the program's name was changed to Electronic Document Management Program (EDM). EDM refers to the collective application of three technologies; Imaging, Electronic Foldering, and Workflow. The program's name was changed because EDM better describes the program's focus, objectives and applied technologies.

DEFENSE FINANCE AND ACCOUNTING SERVICE
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A. AIS Title and Number: Electronic Document Management (EDM)
(HQ9304) Program (Formerly Document Imaging Program - BPA 14-2)

B. CIM Functional Area: CORE DII - Value Added Services

C. Life-Cycle Cost and Program Cost: (in millions of dollars)

1. Then year (Inflated) dollars:

Approved Life-cycle cost: \$123.3
Estimated Life-cycle cost: \$130.7

Approved Program cost: \$108.3
Estimated Program cost: \$118.8

2. Constant base year (FY 1990) dollars:

Approved Life-cycle cost: \$107.3
Estimated Life-cycle cost: \$110.8

Approved Program cost: \$99.3
Estimated Program cost: \$100.7

3. Sunk Cost (actual): \$23.2

4. Cost To Complete: \$100.1

D. Cross Reference to Justification Book: Defense Business Operations Fund Capital Procurement Program - DFAS.

E. System Description: The EDM Program is a comprehensive business process improvement initiative designed to facilitate the consolidation of DoD finance and accounting functions; reduce operating costs; provide user with on-line access to financial documents and information; apply new methods and technologies to improve customer services; and ensure the consistent

implementation of business practices throughout DoD. Imaging, electronic document management, access and foldering, workflow, and high capacity storage technologies are to be employed in a wide variety of business areas.

Requirements support management initiatives pursuant to the Chief Financial Officers' Act, the DFAS migration system strategies, and consolidated, streamlined operations. Primary functional areas targeted for improvement and imaging investment include contract pay and vendor payments; network consolidation and management; general accounting and payments, to include travel payment processing (as an interim to DoD's reengineered travel processing system); stock fund payments; General Counsel's garnishment and Former Spouse Protection Act (FSPA) activities; and automated mail room, distribution, file room, and customer services operations. Additional functional areas being analyzed include civilian payroll and personnel; debt management, collections, and claims; and Security Assistance (SA) accounting.

The program objective is to reduce costs by:

1. Reducing paper volume in the business centers and improve work flow management through automated gathering and routing systems.
2. Improving and speeding up information accessibility by inserting networking functions providing electronic foldering, distribution, cataloging, and maintenance of large paper volume.
3. Reducing the cost, manpower, and space requirements for near and long-term retention of required backup data with the deployment of high capacity magnetic, optical, and video storage media.
4. Introducing indexing and searching of digital image/bit mapped data and compressed text files improving customer service levels.
5. Improving customer service through document image sharing innovations and on-line matching and viewing of images and files with data systems.
6. Reducing photo copies, manual sorting and routing,

late payment fees and penalties, and duplicative data entry and document retention.

7. Establishing an Electronic Commerce (EC) environment through the integration of imaging, electronic document management, workflow technologies, and best practices with Electronic Data Interchange (EDI).

The EDM Program directly supports DFAS' Business Process Reengineering (BPR) efforts, with EDM investments as a primary implementation tool for redesign functional processes.

F. Program Accomplishments and Plans: The EDM/Imaging Program builds upon DFAS' experience and "proof of concept" to rapidly develop an electronic document management and imaging technology infrastructure, and to deploy document management, access and workflow solutions streamlining financial and administrative operations. Agency-wide document management and imaging requirements were consolidated into a centrally managed, centrally funded program via a standard acquisition vehicle.

The DFAS Information Management Executive Board (IMEB) approved Milestones 0 and I on October 11, 1994. Milestones II and III will be attained at the Project level. Each project/investment will be initiated, supported and justified with Life-Cycle management documentation, decisions, Functional Economic Analysis (FEA), and delivery orders.

Between Milestone I and II, the program base year was re-phrased to coincide with the FY 1995 contract base year. Base year sub-milestone events include completing initial delivery orders in order to obtain a technical analysis of DFAS requirements and an assessment of the document conversion requirement to facilitate Defense Accounting Office consolidations. Additional delivery orders produced a catalog of hardware and software satisfying DFAS requirements for a corporate electronic document management solution. Catalog items were procured for demonstration and validation test at the contractor's integration test facility. Tailored solutions are now being designed with the approved configurations. The Program's current focus is on the design, development, and completion of pilot EDM solutions for individual locations.

<u>MILESTONE</u>	<u>DESCRIPTION</u>	<u>APPROVAL SCHEDULE</u>	<u>CURRENT ESTIMATE</u>	<u>APPROVAL LEVEL</u>
0	Concept Study Decision	10/94	Complete	DFAS
I	Concept Development Decision	10/94	Complete	DFAS
II	Development Decision	8/96	8/96	DFAS
III	Production Decision	11/96	11/96	DFAS
IV	Major Modification Decision	TBD	TBD	DFAS

Current Life-Cycle Phase: I - Demonstration and Validation

1. FY 1995 Accomplishments: The Navy Fleet Industrial Supply Center (FISC), Norfolk - Philadelphia Detachment awarded the DFAS Imaging Solutions contract to Electronic Data Systems (EDS) Corporation on September 21, 1994. Base year is FY 1995 with four-option years. Because of the award date, the EDM program base year was restructured to FY 1995. DFAS functional managers defined requirements, then, executive management prioritized requirements and designated functional and technical project officers. A functional economic analysis was completed to support EDM and workflow investments for consolidation and business activities at the Operating Locations.

Ten delivery orders were awarded to EDS for a variety of infrastructure analysis and technical requirements definition, network evaluation, business process analysis, business and technical system designs, backfile conversion service requirements, and the development of a hardware and software standard solutions catalog. These ten delivery orders support the finance and accounting network consolidation and contract payment at DFAS-Columbus. An integration test lab at the contractor's site was planned, designed, and approved, with purchase of the configuration initiated. DFAS accepted a volume discount proposal for imaging and work flow executive software program license. DFAS entered into the first option year on September 1, 1995. Remaining base year procurement authority was added to option year one contract line item numbers (CLINs).

2. FY 1996 Planned Program: Program focus remains on support for consolidation and business activities at the Operating Locations and Columbus contract payments. Milestone II

review for the two highest-priority projects is scheduled for 4th quarter FY 1996. Milestone III is scheduled for 1st quarter FY 1997. Milestone II and III reviews for additional projects will be scheduled as required.

EDS is tasked to design, develop and implement electronic document management systems and work-flow solutions at the Omaha, NE, Kansas City, MO, and Charleston, SC Operating Locations, and the Columbus, OH Center. Actions include: complete development and begin acceptance testing of prototype systems at three initial Operating Locations; install highest priority tailored solutions at additional Operating Locations; begin acceptance testing of DFAS-CO contract pay prototype; complete requirements analysis of highest priority imaging projects, initiate software development, and acquire highest priority equipment.

DFAS will partner with acquisition community representatives and other DBOF service organizations to develop pilot applications providing DoD-wide access to contract documents in a common file format. The "proof of concept" applications will provide electronic access to official contract awarded and modification documents in a format eliminating the need for DoD users to maintain hard copy files.

Comprehensive end user and system operator training is required. Course content and materials will be developed by EDS, with training execution being provided by internal and commercial sources. New task orders will be issued to begin requirements analysis and determine level of design/development effort required for proposed projects:

- a. Network consolidation (General accounting and payments workflow, administrative support)
- b. Forms standardization/electronic forms
- c. Garnishments at DFAS-Cleveland Center
- d. Civilian payroll/personnel
- e. Stock fund payments
- f. Transportation payments
- g. Security assistance - Foreign military sales
- h. Debt management, collections and claims

3. FY 1997 Planned Program: Continue installation of tailored solutions at remaining Operating Locations; complete

acceptance testing of DFAS-Columbus contract pay prototype, and begin roll-out of solution to 1200 users; complete software development, and acquire additional high priority equipment. We have 17 Operating Locations in place at this time. We anticipate approximately six will receive EDM capability in FY 1997, along with additional portions of the Contract Entitlements Directorate in Columbus. The specific projects for FY 1997 have not yet been determined. Priorities will depend on Military Construction schedules, Center Director input on Center priorities, and other criteria.

G. Contract Information:

Contractor: Electronic Data Systems Corporation

a. Contract Description: The contractor provides professional and technical support services implementing DFAS business process improvement strategies. Technical and professional support services include, but are not limited to: requirements analysis, system design, software development and installation, integration with other media and DFAS systems, local network design, system administration, electronic document management and imaging architecture and system documentation, database design, document conversion, multimedia support and training.

b. Type of Contract: Cost Plus Fixed Fee, Indefinite Delivery Indefinite Quantity Services-type contract.

c. Contract Performance: Initial deliverables from the first seven delivery orders were provided on schedule and accepted. EDS costs averaged 30% lower than the awarded task orders.

H. Comparison with FY 1996 Description Summary:

1. Technical Changes: In January 1996, the program was officially renamed the Electronic Document Management (EDM) Program. EDM refers to the collective application of three technologies: Imaging, Electronic Foldering, and Workflow. The Program's name was changed because EDM better describes the program's focus, objectives and applied technologies. Standard scalable electronic document management/imaging system configurations are defined in the DFAS Imaging Solutions Standard Hardware and Software catalog. Our approach is to utilize a rapid application development strategy.

2. Schedule Changes: The program base year was re-phased to coincide with the FY 1995 contract base year. Program priority focus is on the Operating Locations and Columbus contract pay. Strategy and milestones have been coordinated and support the Department's on-going Defense Accounting Offices consolidation into DFAS Operating Locations.

3. Cost Changes: The program was restructured in June 1995 reflecting comprehensive technical and functional analysis, design and development phases in FY 1995 and FY 1996, resulting in high technical services costs and low equipment cost in base years and first option year. The FY 1995 and FY 1996 Development/Modernization (dev/mod) decreases since the last President's Budget reflect the realignment of software dev/mod and ADPE authority to the FY 1997 and FY 1998 phased deployment. The FY 1997 dev/mod increase reflects production roll-out of capital equipment from FY 1995 and FY 1996. The FY 1995 current services decrease reflects lower equipment and software maintenance due to the purchase realignments. FY 1996 and FY 1997 current services increases reflect maintenance of the increased equipment and software solutions.

In the current submission, the FY 1996 dev/mod decrease reflects fully funded delivery orders funded in FY 1995 and the increase in FY 1997 reflects the roll-out of programs to the Operating Locations. The FY 1996 and FY 1997 current services increases reflect equipment and software maintenance and contractor support for installation at multiple sites.

**DEFENSE FINANCE AND ACCOUNTING SERVICE
DESCRIPTIVE SUMMARY
FY 1997 BUDGET ESTIMATES**

A. AIS Title and Number: Defense Joint Military Pay System (DJMS) Program (HQ2109), Migration, 10/17/91

B. CIM Functional Area: Finance

C. Life-Cycle Cost and Program Cost: (in millions of dollars)

DJMS life cycle and program costs include the two systems DJMS-Active Component (AC) at 59% and DJMS-RC at 41%. Split is based on number of pay accounts.

1. Then year (Inflated) dollars:

Approved Life-cycle cost: \$950.0
Estimated Life-cycle cost: \$950.0

Approved Program cost: \$69.6
Estimated Program cost: \$69.6

2. Constant base year (FY 1990) dollars:

Approved Life-cycle cost: \$791.9
Estimated Life-cycle cost: \$791.9

Approved Program cost: \$61.9
Estimated Program cost: \$61.9

3. Sunk Cost (actual): \$304.4

4. Cost to Complete: \$645.6 *

* Life-Cycle Costs (LCC) are based on an outdated Economic Analysis (EA). An updated EA will be completed in the 4th quarter of FY 1996 providing a more accurate estimate.

D. Cross Reference to Justification Book: Defense Business Operations Fund Capital Procurement Program - DFAS.

E. System Description: DJMS is a strategic management program that achieves consolidation of military pay processing into a single Department of Defense (DoD) system. Under DJMS's purview, DJMS-AC and DJMS-RC are the interim migratory systems

consolidating Army, Navy, and Air Force pay accounts. Ultimately, the AC and RC will merge to form a single system: DJMS.

A collection of military pay systems pay over 2.7 million Service men and women, each Service with their own regulations and unique support structures: Active Duty, Reserve and National Guard, Academy Cadets and Midshipmen, Reserve Officer Training Corps, and the Armed Forces Health Professionals Scholarship Program. Nearly two million active duty personnel are paid twice a month, while most other categories are paid monthly.

For many years, military pay operations were aligned by Service, with Army operations at the DFAS Indianapolis Center; Navy at the DFAS Cleveland Center; Air Force at the DFAS Denver Center; and, Marine Corps at the DFAS Kansas City Center. Consequently, the DJMS program was created to standardize Service pay functions in a *systematic, controlled, incremental process*.

At the time DFAS adopted the Air Force Joint Service Software System (JSS), the Army had modified the system for their unique requirements and, then, converted their active duty pay accounts. Since then, DFAS redesigned JSS in order to standardize unique Army and Air Force pay functions. In addition, DFAS decided to include the Navy active and reserve components as well as the Service academies, Armed Forces Health Professional Scholarship Program (HPSP), and the Reserve Officer Training Corps (ROTC).

The DoD Comptroller and the Corporate Information Management Financial Management Steering Committee approved the DJMS program on October 17, 1991.

DJMS is a program as opposed to a system. DJMS's first objective is to consolidate nineteen Army, Navy, and Air Force systems into two systems: DJMS-AC and DJMS-RC.

Service active duty and academy pay systems are being converted into DJMS-AC. In conjunction with this effort, the Service Reserve and National Guard personnel are being converted into DJMS-RC. This incremental development strategy is necessary in order to satisfy different functional requirements for active duty and reserve pay. For example, active duty members are paid on a monthly basis whereas Reserve members are paid only when they work. Once conversions are completed, DJMS-AC and RC will merge to form DJMS.

The AC and RC systems are actively managed in order to integrate pay functions in a phased implementation effort. The DJMS Configuration Control Board (CCB) meets on a regular basis (Service point-of-contacts attend) in order to approve System Change Requests (SCRs) and review system progress. All AC and RC

SCRs are reviewed to ensure they meet DJMS charter requirements. Furthermore, the Board prioritizes requirements; ensures there is no duplication of effort; and, ensures legacy system requests are not approved if the changes will be made to DJMS within two years.

Systems being replaced by DJMS systems are:

1. Navy Reserve Drill/Annual Training Pay System
2. Naval Reserve Officer Training Corps (ROTC) Pay System
3. Armed Forces Health Professional Scholarship Program
4. Navy Joint Uniform Military Pay System (JUMPS)
5. Navy JUMPS Allotment System
6. Savings Deposit Program System
7. Automated Incoming Message Distribution System
8. Naval Academy Midshipmen Pay System
9. JUMPS - Reserve Component
10. Short Tour Pay System
11. West Point Cadet Pay System
12. ROTC Cadet Pay System
13. JUMPS - Active Army
14. Air Force ROTC Cadet Pay System
15. Air Force ROTC Summer Camp Payroll System
16. Health Professions Pay System
17. Cadet Pay and Accounting System
18. JUMPS-DPET - Air Force Active
19. JUMPS-BL - Air Force Reserve

Once DJMS is implemented, functional capabilities are improved and operating costs are lowered.

Functions performed are:

a. Pay computation: Compute net pay due from authorized entitlement less withholdings, deductions, and payments.

b. Leave record keeping: Maintain leave balances by accruing leave earned and deducting leave used. Provide monthly leave transaction updates.

c. Military pay accounting and reporting.

d. Report earnings and withholdings to federal, state, and local authorities.

Some benefits are: Timely and accurate payments, leave and earning statements; financial data that fairly presents operation results in reasonable compliance with laws, regulations, and policies; and, support on-going standardization efforts.

DJMS systems interface with a variety of Service, federal,

and non-government systems to include: Standard Finance System (STANFINS), Consolidated Returned Items Stop Payment System (CRISPS), Standard Negotiable Instruments Processing Systems (SNIPS), Defense Debt Management System (DDMS), Defense Retired Pay and Annuitant System (DRAS), and the Veterans Educational Assistance Program (VEAP). In addition, DJMS systems interface with the Federal Bank, Internal Revenue Service, Social Security, Treasury Department, and Army Air Force Exchange Services.

The DFAS Denver, Cleveland, and Indianapolis Centers provide software development and maintenance services for AC and RC. Existing input systems are used to collect initial pay transactions and to format data to meet AC and RC requirements.

The Financial Systems Activity (FSA), Denver is the Central Design Activity (CDA) for this system.

F. Program Accomplishments and Plans:

<u>MILESTONE</u>	<u>DESCRIPTION</u>	<u>APPROVAL SCHEDULE</u>	<u>CURRENT ESTIMATE</u>	<u>APPROVAL LEVEL</u>
0	Concept Study Decision	10/91	Complete	DFAS
I	Concept Dev Decision	10/91	Complete	DFAS
II	Development Dec STP 4-2	10/91	Complete	DFAS
II	Development Dec STP 4-3	Complete	Complete	DFAS
III	Production Decision	12/97	12/97	MAISRC
IV	Major Mod Decision	TBD	TBD	MAISRC

Current Life-Cycle Phase: Development

1. FY 1995 Accomplishments: The final Army conversions were completed in FY 95. Converted Army Health Professional Scholarship Program (HPSP) and Army ROTC accounts. Testing continued for Naval Academy and Air Force ROTC. Software development moved into the final phase for the Navy HPSP and Navy ROTC. Continued full-fledged software programming for the Navy active duty. Initiated development of functional requirements for the Navy Reserve.

2. FY 1996 Planned Program: Convert Naval Academy, Navy HPSP, Navy, and Air Force ROTC. Complete Navy active duty software programming and begin system testing. Initiate Navy Reserve software development. Develop system and functional requirements for the AC and RC merge. The Air Force implementation will be completed.

3. FY 1997 Planned Program: Convert Navy active duty accounts. Complete Navy Reserve software development and begin

system testing. Functional requirements development continue for the AC and RC merge.

G. Contract Information: N/A

Contractor:

- a. Contractor Description:
- b. Type of Contract:
- c. Contract Performance:

H. Comparison with FY 1996 Description Summary:

1. Technical Changes: The FY 1996 DJMS narrative included DFAS Strategic Transition Plan (STP) development efforts and AC and RC operations at DFAS Denver and Cleveland Centers. AC and RC operations at DFAS Indianapolis Center were reflected in the JSS redesign initiative and other minor military pay systems, respectively. On the other hand, this budget is broken out to display the DJMS developmental program and the two migratory systems, AC and RC. AC and RC continue operating at DFAS Cleveland, Denver, and Indianapolis Centers through FY 1998. The DJMS program reflects on-going development efforts through FY 1999. DJMS, the single system, will be operational in FY 2000.

2. Scheduled changes: Navy Academy implementation is delayed from FY 1995 to FY 1996; Navy active duty implementation is delayed from FY 1996 to FY 1997. Navy Reserve Component integration into AC and RC is delayed until FY 1998 due to Navy Standard Integrated Personnel System (NSIPS) delays. The Navy AFHPSP and the Navy ROTC are delayed from FY 1995 to FY 1996.

3. Cost Changes: EA numbers were used to establish life-cycle and program costs. These numbers were displayed in FY 1991 dollars and inflation was not included. In addition, the wrong discount factor was used. Life cycle and program costs are now corrected. Furthermore, the EA is being updated and should be completed in late FY 1996.

Project Management Office (PMO) operating costs are included under the DJMS program along with system operational costs. However, as AC and RC systems are fielded, operating dollars are distributed to support deployed systems.

Life-cycle and program costs are also increased to reflect DISA rate increases.

The FY 1995 increase in development/modernization (dev/mod) from the last President's budget reflects completion of Army conversions, testing coded software at a variety of sites, and continuing software development for the Navy active duty and reserve accounts. In addition, increase reflects additional costs to correct DJMS platform problems encountered with the Navy

conversion and increased the number of customer accounts being converted.

The FY 1997 increase in dev/mod from the last President's budget reflects AC and RC merge concept development, functional and technical requirements development, programming, and testing interfaces.

The FYs 1995, 1996, and 1997 decrease in current services since the last President's budget reflects the realignment of funding to AC and RC as systems are deployed.

The FY 1996 dev/mod decrease in this submission reflects delay in several Navy conversions (i.e., Navy active duty and reserve accounts).

The FY 1997 dev/mod increase in this submission reflects the Navy conversions originally scheduled for FY 1996.

**DEFENSE FINANCE AND ACCOUNTING SERVICE
DESCRIPTIVE SUMMARY
FY 1997 BUDGET ESTIMATES**

- A. AIS Title and Number:** Standard Accounting and Reporting System, (STARS), DN7306, Interim Migratory, 12/94
- B. CIM Functional Area:** Finance
- C. Life Cycle Cost and Program Cost: (in millions of dollars)**

1. Then year (Inflated) dollars:

Approved Life-cycle cost: \$390.0
Estimated Life-cycle cost: \$390.0

Approved Program cost: \$99.5
Estimated Program cost: \$99.5

2. Constant base year (FY 1990) dollars:

Approved Life cycle cost: \$320.0
Estimated Life-cycle cost: \$320.0

Approved Program Cost: \$82.3
Estimated Program Cost: \$82.3

3. Sunk cost (actual): \$111.3

4. Cost to complete: \$278.7

- D. Cross Reference to Justification Book:** Defense Business Operations Fund Capital Procurement Program - DFAS.

- E. Systems Description:** Mission Supported:

1. Phase I: STARS consolidates major Department of the Navy (DoN) general fund accounting systems into a Navy-wide standard system. As a result, Navy general fund accounting systems design and data processing costs are reduced. STARS is successfully implemented at nine Defense Accounting Office (DAOs) and

Operating Locations including Great Lakes, Arlington, Charleston, Oakland, San Diego, Pensacola, Norfolk, New Orleans, and Pearl Harbor.

Phase I of STARS is completed; implementations are as follows:

In July 1993, STARS-Field Level (FL) and One-Pay modules replaced the Integrated Disbursing and Accounting Resource Management System (IDARMS) at DAOs Arlington and Great Lakes and the Uniform Automated Data Processing System - Stock Points Series "G" (UADPS-SP "G") at DAOs Charleston and Oakland.

Based on successful prototype results at DAO San Diego, STARS-FL replaced the Integrated Disbursing and Accounting Financial Management System (IDAFMS) at DAO Pensacola in October 1994; DAO New Orleans in January 1995; DAOs Jacksonville and Norfolk in April 1995; and, DAO Pearl Harbor in July 1995.

STARS - Claimant Accounting Module (CAM) replaced the Navy Standard Claimant Accounting Module (NSCAM) at nine DAO sites including Arlington (prototype site), Navy Annex, San Diego, Great Lakes, Pensacola, Pearl Harbor, Norfolk, New Orleans, and Rota, Spain.

STARS-CAM replaced NSCAM at the BUPERS Navy Annex site in September 1994; COMNAVSPECWARCOM, San Diego in November 1994; CNET, Pensacola in January 1995; MEDCOM, Great Lakes in December 1994; CINCPACFLT, Pearl Harbor in January 1995; CINCLANTFLT, Norfolk in February 1995; COMNAVRESFOR, New Orleans in March 1995; and, CINCUSNAVEUR, Rota, Spain in November 1995.

2. In Phase II, the Fleet Resources Accounting Module (FRAM) conversion has been delayed until October 1996 (from October 1995) due to different business practices between fleets. Therefore, FRAM moves from Phase II to Phase III.

Navy Headquarters Financial System (NHFS) is being converted as the STARS-Departmental Reporting (DR) prototype in FY 1996, and the Authorization Accounting Activity Resource Management System (AAA-RMS), Rota, Spain is scheduled for conversion in July 1996.

3. In Phase III, upon resolution of fleet business practice differences, FRAM will be converted at Operating Location sites San Diego and Norfolk.

After successful prototyping, Administering Office/Responsible Office (AO/RO) system functionality will be consolidated to STARS-DR in October 1996.

In October 1996, the Reserve Financial Management System (RESFMS) accounting functionality (COMNAVRESFOR, New Orleans) is scheduled to convert to STARS-FL, as well as, the Financial Management Information System (FINMIS), the Financial Information System (FIS), Port Hueneme, and Navy Management Fund bill paying.

In December 1996, the Naval Training Center System, Orlando and the Naval Academy Gift and Trust Fund is scheduled to convert to STARS-FL.

The Pacific vendor pay consolidation to STARS One-Pay Module is scheduled at OPLOC Hawaii for October 1996 for Army vendor pay and January 1997 for Air Force vendor pay. Implementation dates for vendor pay consolidation to STARS One-Pay Module for the Defense Business Operations Fund (DBOF) are to be determined. This schedule was authorized at the December 1995 STARS Program Management Review.

Functions Performed: Total implementation provides the functionality of current Navy financial systems while simplifying the operations, upgrade, and maintenance of Navy accounting functions. At the field level, STARS users track allocated funds from the time they are authorized through the appropriation life cycle. The system accounts for Operations and Maintenance (O&M), Research, Development, Test and Evaluation (RTD&E), Industrial Fund, Modified Industrial Fund, Procurement Funding, Allotment accounting, and Reserve Personnel, Navy (RPN) accounting. In addition, STARS provides the Operating Locations and Fund Administrator Activities with real-time financial information in a user-friendly environment.

The system is modeled using standard Integrated Definition Level Zero (IDEFO) techniques minimizing accounting processes and improving system efficiency. The functions are analyzed in accordance with General Accounting Office (GAO), Office of

Management and Budget (OMB), Treasury, and DoD General Ledger, Corporate Information Management (CIM) initiatives, ADP security, DMRD 910, and Chief Financial Officer's (CFO) Act requirements to ensure all accounting policy requirements are followed. The STARS information system architecture takes advantage of client server processing, trusted systems design, graphical user interfaces, expert systems rule enforcement, and document imaging and management. Commercial software is researched to determine if standard software modules can be used to enhance functionality and reduce development costs.

The current user base consists of over 850 activities and over 10,000 users, which increases to over 1,000 activities and 15,000 users during the next phase. Functions supported include general fund accounting, bill paying, electronic data interchange, electronic funds transfer, data interfaces to and from other financial and management information systems, and financial reporting.

STARS interfaces with the following systems: Centralized Expenditure Reimbursement Processing System (CERPS), Mechanized On-line Contract Administration System (MOCAS), Defense Civilian Pay System (DCPS), Management Information System International Logistics (MISIL), Automated Procurement and Data Entry (APADE), NAVSUP Uniform ADP System - Stock Points, Application E&F (UADPS-SP, E&F), Financial Reporting System - Accounting (FRS-A), Navy Headquarters Financial System (NHFS), and Security Assistance Accounting System (SAAC).

These interfaces allow financial data to be interchanged at the data element level, which provides two functions: (1) Other financial data collection systems can provide data as batch input to STARS, and (2) STARS can provide financial data to be used in other financial management information and reporting systems.

Current Resources Used: STARS runs in a DB/2 relational database environment on IBM enterprise mainframes at Defense Megacenter (DMC) - Mechanicsburg. Users are connected via NAVNET, communications routers, and Tymnet connections using IBM 3270 emulation. Operating Location offices have a Netware Local Area Network (NLAN) with PC workstations and printers.

Support is provided by DMC Mechanicsburg for data processing; Fleet Material Support Office (FMSO) for design agent services; FSA-Cleveland for LAN support; Naval Computer Telecommunications Station - Washington (NCTS-W) for systems analyses and technical support; and, four contractors for systems analyses and technical support. Diverse Technologies Corporation provides Project Management Office support. Coopers and Lybrand provides analytical support for Chief Financial Officer's (CFO) Act requirements. General Scientific Corporation provides technical support for electronic forms, and Tecolote Research, Inc. provides analysis support for preparation of STARS economic analyses.

All DoN general fund accounting systems will be incorporated into STARS. Some key benefits are:

- a. Reduced operational, training and support costs
- b. Reduced run time for labor programs (14 to 1)
- c. Improved productivity and design efficiency
- d. Reduced equipment and communications costs
- e. Centerlining of applications and accounting functions
- f. Improved quality and timeliness of payment
- g. Functional enhancements (paper reduction)
- h. Productivity gains (paper reduction)
- i. Improved discipline of accounting functions and operations

Annual cost savings are projected to be \$15.0M in Data Processing Installation (DPI) operations and Central Design Activity (CDA) support. Savings over the fifteen-year life of the system are projected at \$292M. These saving result from DPI operations consolidation from many mainframe sites to a central mainframe system. In addition, savings are attributed to a reduction in accounting programs and operating systems supported by multiple CDAs to one application and operating system supported by one CDA. Costs and savings are estimates based on projections from the STARS Economic Analysis Document dated 10/1/94.

F. Program Accomplishments and Plans:

<u>Milestone Description</u>		<u>Approval Schedule</u>	<u>Current Estimate</u>	<u>Approval Level</u>
(Phase I: U1100 Conversion, Prototype Implemented July 1994)				
0	Concepts Studies	FY 93	Complete	DFAS
I	Concepts Dev Decision	FY 93	Complete	DFAS
II	Development Decision	FY 93	Complete	DFAS
III	Production Decision	FY 94	Complete	DFAS
IV	Major Mod Decision	N/A	N/A	N/A
(Phase I: NSCAM Conversion, Prototype Implemented August 1994)				
0	Concepts Studies	FY 93	Complete	DFAS
I	Concepts Dev Decision	FY 93	Complete	DFAS
II	Development Decision	FY 94	Complete	DFAS
III	Production Decision	FY 94	Complete	DFAS
IV	Major Mod Decision	N/A	N/A	N/A
(Phase II: NHFS Conversion to STARS-DR)				
0	Concepts Studies	FY 95	Complete	DFAS
I	Concepts Dev Decision	FY 95	Complete	DFAS
II	Development Decision	FY 95	Complete	DFAS
III	Production Decision	FY 96	FY 96	MAISRC
IV	Major Mod Decision	N/A	N/A	N/A
(Phase III: FRAM, RESFMS, FINMIS, AAA-RMS, AO/RO, NTC Orlando)				
0	Concepts Studies	FY 96	FY 96	MAISRC
I	Concepts Dev Decision	FY 96	FY 96	MAISRC
II	Development Decision	FY 96	FY 96	MAISRC
III	Production Decision	FY 97	FY 97	MAISRC
IV	Major Mod Decision	N/A	N/A	N/A

Current Life-Cycle Phase: Concept Studies Decision

1. FY 1995 Accomplishments: STARS is successfully implemented at twenty-two sites; thirteen of which were implemented in FY 1995. The thirteen sites include five IDAFMS sites at Pensacola, New Orleans, Jacksonville, Norfolk, and Pearl Harbor; two UADPS-SP "G" sites at Naval Air Station, PAX River, and Operating Location Hawaii. The Hawaii conversion was performed on two different systems simultaneously; thereby, maximizing resources and saving travel dollars. The remaining

six sites replaced six NSCAM systems with one STARS-CAM: DAOs San Diego, Great Lakes, Pearl Harbor, New Orleans; Operating Locations Pensacola and Norfolk.

Preliminary work began implementing Electronic Data Interchange/Electronic Funds Transfer (EDI/EFT) for the large Vendors to allow electronic submission of payment invoices and to have payments directly deposited into their accounts.

2. FY 1996 Planned Program: Phase II: The last NSCAM site at CINCUSNAVEUR Rota, Spain was converted in November. The last UADPS-SP "G" site at Fleet Industrial Supply Center (FISC) Yokosuka, Japan was converted in October.

FRAM has moved to FY 1997 as discussed in Section E. The NHFS is being prototyped for the STARS-DR module. Planning is underway for converting RESFMS accounting with completion of the site requirements survey in February 1996. FINMIS conversion planning is underway. The site survey for the conversion of AAA-RMS at Rota, Spain is scheduled for March 1996.

The Top 100 vendors with the largest number of transactions at all DFAS-CL Operating Location sites will be converted to EDI followed by the Top 200 vendors in FY 1997. EFT is installed at all DFAS-CL Operating Locations. EFT was installed at Operating Locations Norfolk and Charleston in October 1995; Operating Locations Oakland and Hawaii in November 1995; Operating Location San Diego in December 1995; and, Operating Location Pensacola in January 1996. CFO requirements are targeted for completion in FY 1996.

3. FY 1997 Planned Program: Phase III: The Navy Academy Gift/Trust Fund, Navy Management Fund for bill paying, AAA-RMS in Rota, Spain, RESFMS, FRAM (pending resolution of fleet business practices differences), AO/RO, FINMIS, FIS, Naval Training Command - Orlando, Level II RMS in Puerto Rico and Iceland, will be consolidated in FYs 1997 and 1998. Vendor pay implementation for Army and Air Force is also scheduled. The implementation of DBOF vendor pay is to be determined.

G. Contract Information: Software development, modification, and maintenance are provided by the STARS CDA, Fleet Material

Support Office (FMSO) - Mechanicsburg through a Service Level Agreement. The following private contractors provide support:

1. Contractor: Diverse Technologies Corporation (DTC)

a. Contractor Description:

Prime Contractor: Lockheed Martin

Subcontractor: Diverse Technologies Corporation
(Analysis, Project Management Office Support)

b. Type of Contract: Indefinite Delivery Indefinite Quantity (IDIQ), Time and Materials Delivery

c. Contract Performance: Phase II is on schedule and within cost; Phase I is complete

2. Contractor: Coopers & Lybrand

a. Contractor Description:

Prime Contractor: Electronic Data Systems (EDS)

Subcontractor: Coopers & Lybrand
(Development analysis support)

b. Type of Contract: IDIQ, Time and Materials Delivery

c. Contract Performance: On schedule and within cost

3. Contractor: General Scientific Corporation

a. Contractor Description:

Prime Contractor: General Scientific Corporation

Subcontractor: N/A
(Development analysis support)

b. Type of Contract: 8(a) set-a-side, Time and Materials Delivery

c. Contract Performance: On schedule and within cost

4. Contractor: Tecolote Research, Incorporated

a. Contractor Description:

Prime Contractor: Tecolote Research, Incorporated

Subcontractor: N/A
(Development analysis support)

b. Type of Contract: IDIQ, Labor Hours

c. Contract Performance: Awarded 60 days late

H. Comparison with FY 1996 Descriptive Summary:

1. Technical Changes: The STARS mainframe migrated from Defense Information Processing Center (DIPC) - Washington to Defense Megacenter (DMC) - Mechanicsburg in August 1995.

STARS-FL (DN0454) is now being reported under STARS as a single system.

2. Schedule Changes: The FRAM consolidation is delayed due to business practice differences between the fleets. NSCAM consolidation was completed in November 1995, one month later than planned. All other NSCAM site consolidations were completed either on schedule or three months early.

The reason for increase in STARS users from 534 activities and 4,500 users to 1,000 activities and 15,000 users is due to additional sites converted. There will be a constant increase in users as they are transferred to STARS and the old systems are phased out.

The Milestone chart changed to reflect the entire systems consolidation plan. The previous submission applied only to the U1100 site conversions. Also added to the Milestone chart is a Phase I section for NSCAM conversion.

In comparison with the last President's budget for the FY 1995 planned program, the FINMIS consolidation did not occur due to the difficulty in obtaining customer input. Out of twenty-one system specifications required to convert FINMIS, ten have been completed and the remaining eleven require customer input in order to complete.

In comparison with the last President's budget for the FY 1996 planned program, discussion of converting vendors to Electronic Data Interchange (EDI) was inadvertently omitted. Electronic Funds Transfer (EFT) was installed at Operating Locations Norfolk, Charleston, Honolulu, Oakland, and San Diego in the FY 1996 first quarter. EFT was installed at Operating Location Pensacola in the FY 1996 second quarter. Section F2 omitted the incorporation of CFO Act requirements which are targeted for completion in FY 1996.

The last President's budget for the FY 1997 planned program, stated efforts to comply with the CFO Act would be completed. The current submission does not include this statement because updated plans called for completion of the CFO efforts in FY 1996.

The current submission revises contractor information to reflect an additional two contractors. One contractor, IBM, was dropped from the program due to high labor rates. This section is also revised to add CDA information.

3. Cost Changes: In the previous submission, we identified Approved and Estimated LCC and Program Cost based on cost information not included in the approved Economic Analysis (EA).

However, this submission has been revised to reflect the LCC and Program Cost in the approved EA. Sunk cost changed to include operational costs as well as development costs due to a change in computing the cost to complete. Cost to complete increased due to the decision to convert additional Navy systems to the STARS environment.

The FYs 1995, 1996, and 1997 current services increase since the last President's budget reflects expansion of operational support provided to fielded sites to include: Defense Information Systems Agency (DISA) data processing services which are necessary to resolve problem disbursements. The cost per transaction has dropped following each STARS consolidation while system use has increased dramatically from 70,800,000 transactions in FY 1995 to a projected 100,400,000 transactions in FY 1996. This estimate is based on 25,100,000 transactions documented for the first quarter FY 1996 and does not include systems being consolidated in FY 1996. The implementation of CFO functionality is expected to produce another significant increase in transaction volume in FY 1997.

The FY 1997 development/modernization decrease in this submission reflects new planning information based on completed site surveys for accurate sizing of projects.

DEFENSE FINANCE AND ACCOUNTING SERVICE
DESCRIPTIVE SUMMARY
FY 1997 BUDGET ESTIMATES

A. AIS Title and Number: Defense Business Management System
(DBMS), OD6741, Interim Migratory,
12/19/94

B. CIM Functional Area: Finance

C. Life-Cycle Cost and Program Cost: (in millions of dollars)

1. Then year (Inflated) dollars:

Approved Life-cycle cost: \$317.7
Estimated Life-cycle cost: \$301.1

Approved Program cost: \$102.4
Estimated Program cost: \$100.1

2. Constant base year (FY 1990) dollars:

Approved Life-cycle cost: \$259.7
Estimated Life-cycle cost: \$248.0

Approved Program cost: \$84.2
Estimated Program cost: \$82.9

3. Sunk Cost (actual): \$108.4

4. Cost to complete: \$209.3

Operational System - DBMS initially deployed in 1969 and modernized in 1986.

D. Cross Reference to Justification Book: Defense Business Operations Fund Capital Procurement Program - DFAS.

E. System Description: DBMS is an accounting and financial management information system supporting six Defense Business Operations Fund (DBOF) business areas. Originally, DBMS planned to support nine business areas. However, two business areas are

no longer supported because of changes in the customer base (e.g., base closures). Moreover, based on a DBOF Corporate Board decision, the Information Services business area is now supported by the interim migratory Industrial Fund Accounting System (IFAS).

The six business areas are: 1) Distribution Depots; 2) Supply Management; 3) Commissary Operations; 4) Financial Operations; 5) Industrial Plant Account; and, 6) Reutilization and Marketing.

DBMS financial information assists in the management and execution of DBOF business functions. Primary DBMS functions include accounting, cost accounting, payroll, personnel, and manpower. System modifications increase capability and performance resulting in reduced operational costs and improved customer service.

DBMS interfaces with the Standard Finance System - Redesign (SRD-1), Base Operations Support System (BOSS), Defense Property Accountability System (DPAS), and Uniform Automated Data Processing System (UDAPS E&F). The DPAS interface was implemented during the first quarter of FY 1996.

The Financial Systems Activity, Columbus supports this system (e.g., software development and maintenance).

F. Program Accomplishments and Plans:

<u>MILESTONE</u>	<u>DESCRIPTION</u>	<u>APPROVAL SCHEDULE</u>	<u>CURRENT ESTIMATE</u>	<u>APPROVAL LEVEL</u>
I	Concept Study Decision	Complete	Complete	DFAS
II	Concept Development Dec	Complete	Complete	DFAS
III	Development Decision	Complete	Complete	DFAS
IV	Production Decision	Complete	Complete	DFAS
	Major Modification Dec	TBD	TBD	DFAS

Current life-cycle Phase: Operations and support

1. FY 1995 Accomplishments: Implemented mandatory system changes directed by Congress and DoD as well as software changes increasing capability and performance resulting in improved

customer service. These modifications are the result of customer requests, business process improvement initiatives, and application of new technology.

Release 4.0 changes are completed to include: W2 Changes; DBMS Troy Interfaces which allow automated check printing; table changes including year-end updates; implemented pay raise and 1995 tax changes.

Release 5.0 and 6.0 changes are completed to include: front-end mid-tier portion of the interfund interface. The mainframe piece will be completed in Release 7.0. Implemented military labor calculations including cost and variance calculations; object class code extensions; new civilian equivalency rate table; allowed access to variance data; labor dollar adjustment transactions; certification across activities; military rank table; wage verification; and performance interface.

Completed the programming for the Defense Property Accountability System (DPAS) Interface (referred to in the last President's budget as property interface), which provides an automated interface in accordance with DBOF and non-DBOF capital asset policy. DPAS activities interface property data via a front-end processor. Data consists of capital asset and depreciation transactions which facilitate reconciliation of capital assets, as well as, provide audit trails.

Capital asset General Ledger Account Codes; tale change modifications (moved from FY 1996 and completed in Release 5.0); automatic distribution of daily trial balance by activity code; implemented the Family Friendly Leave Act; Operation Mongoose payroll extract; consolidated master table; generated file extract containing data elements identified as fraud indicators for use in the DoD fraud detection and prevention program; and, redesigned methods for entering automated and manual workload transactions including automated workload transaction batches, workload transaction changes, data inquiries of transactions via a performance inquiry menu, and update performance transaction registers and reports.

Processing special pay change was canceled because there is no cost benefit.

2. FY 1996 Planned Program: The DPAS interface was implemented during the first quarter of FY 96.

Release 7.0 will include: Completion of the DBMS mainframe interfund disbursement interface and expansion of the General Ledger account fields and structure. This change will accommodate the standard DoD chart of account structure as prescribed by the Chief Financial Officers Act of 1990 and OMB Circular A-127.

Implemented Prevalidation of obligations in compliance with Public Law 103-335 requiring DoD disbursements to match valid obligations; implementing Electronic Data Interchange (EC/EDI) ANSI X12 in accounting and finance systems; improve bill processing functions at DFAS Columbus; thereby, pre-positioning DBMS to provide automated reimbursable billing process in a later release; and mandatory payroll and personnel changes. Independent releases include: Conversion to standard pay periods; transfer and realign DLA Employees due to BRAC; and, year-end table updates.

3. FY 1997 Planned Program: Transition to and develop an interface with the Defense Civilian Pay System (DCPS); develop an automated reconciliation between DPAS and DBMS; continue to implement EDI transaction sets; eliminate prior year M account balances in accordance with regulatory changes eliminating the use of merge accounts for Standard General Ledger; convert general level account balances to the lowest level; implement Basic Accounting Classification Code (BACC) involving expansion, conversion, and establishment of data elements; year-end table updates; and, develop a process to automatically generate reimbursable billings including calculating amount billed, accepting automated work counts, and establishing fixed rates for specific outputs and products.

G. Contract Information: N/A

Contractor:

- a. Contractor Description:
- b. Type of Contract:
- c. Contract Performance:

H. Comparison with FY 1996 Descriptive Summary:

1. Technical Changes: None

2. Schedule Changes: Release 5.0 slipped to November 1995 for the following reasons: Functional requirements were delayed from June 1995 to August 1995 when DBMS customers expressed concern in simultaneously complying with fiscal year-end requirements, capital conversion workload, and the preparation efforts for this release.

3. Cost Changes: Life cycle and program changes since the last President's budget: Based on historical cost information, performance improvement initiatives program, and systems maintenance cost control, the current projection shows a reduction at the overall operations level FYs 1993 through 2001.

Program cost changes since the last President's budget are because DBMS was upgraded to comply with interim migratory accounting system requirements, and reflects additional mandatory program changes for FYs 1996 and 1997. Also, because of the future migration of DBMS payroll and personnel subsystems, only mandatory SCRs are being processed for pay and personnel subsystems (see paragraph H). In addition, the last President's budget program costs were computed using the wrong deflator table.

Previously, cost to complete reflected only development/modernization (dev/mod) costs. However, costs are changed to reflect both current services and dev/mod.

FYs 1995, 1996, and 1997 current services decreases since the last President's budget reflect: lower operating costs as a result of performance improvements reducing the dedicated DASD storage packs and CPU hours, and because the Defense Civilian Pay System (DCPS) and the Defense Civilian Personnel Management System (DCPDS) have been selected as the interim migratory systems for pay and personnel. As a result, we anticipate DBMS payroll and personnel subsystems will migrate to DCPS and DCPDS in phases in FY 1997 and FY 1998.

The FY 1996 dev/mod increase since the last President's budget reflects EC/EDI implementation and prevalidation of obligations.

DEFENSE FINANCE AND ACCOUNTING SERVICES
DESCRIPTIVE SUMMARY
FY 1997 BUDGET ESTIMATES

A. AIS Title and Number: Defense Civilian Pay System
(DCPS), HQ1529, Migratory, 09/12/91

B. CIM Functional Area: Finance

C. Life-Cycle Cost and Program Cost: (in millions of dollars)

1. Then Year (Inflated) dollars:

Approved Life-cycle cost: \$219.0
Estimated Life-cycle cost: \$271.3

Approved Program Cost: \$49.6
Estimated Program Cost: \$63.2

2. Constant base year (1990) dollars:

Approved Life-cycle cost: \$181.5
Estimated Life-cycle cost: \$219.1

Approved Program Cost: \$42.4
Estimated Program Cost: \$54.6

3. Sunk cost: \$101.6

4. Cost to Complete: \$117.4

D. Cross Reference to Justification Book: Defense Business Operations Fund Capital Procurement Program - DFAS.

E. System Description: DCPS is a civilian pay and leave accounting data collection, processing, and reporting system that improves productivity, reduces support costs, and satisfies customer requirements by standardizing Department of Defense (DoD) civilian pay functions. The system maintains employee pay and leave entitlement records, deductions and withholdings, time and attendance data, and pertinent employee's employment status.

DCPS interfaces with a variety of local (e.g., Naval Ocean and Atmospheric Research Lab Accounting System), standard (e.g., NAVAIR Industrial Financial Management System), and Source Data Automation (SDA) systems (e.g., Armament Research Center, Picatinny Arsenal), accounting systems and civilian personnel data systems. All together, DCPS interfaces with forty time and attendance systems, fifty-four standard accounting systems, and a variety of DoD and federal systems (e.g., Federal Reserve - Kansas City, Thrift Board - NFC New Orleans).

The Financial Systems Activity, Pensacola is the Central Design Activity (CDA) and provides software development and deployment support.

F. Program Accomplishments and Plans: DCPS payroll operations are being consolidated in Denver, Colorado; Pensacola, Florida; Charleston, South Carolina; and Omaha, Nebraska. DCPS directly supports the President's Council on Management Improvement, Reform 88 Civilian Personnel Payroll Project, and DoD Corporate Information Management (CIM) objectives.

As of September 1995, 222 payroll offices have closed and thirteen systems are eliminated as follows: Naval Avionics Center Payroll System (NAWC-IND); Air Force Centralized Civilian Pay System (CCPS); Naval Air Engineering Center Payroll System (NAWC-LKHST); CIVPAY Fleet Activities, Okinawa; Naval Activities, United Kingdom, London; Naval Communication Station, Exmouth; U.S. Naval Facility, Argentca, Newfoundland; Naval Construction Battalion Center Payroll System (CBC); Naval Research Laboratory Payroll System (NRL); Naval Underwater Systems Center Civilian Payroll System (CIVPAY); Naval Ordnance Management Information System (NOMIS); Marine Corps Automated Leave and Pay System (ALPS); Standard Army Civilian Pay System-Redesign (STARCIIPS-R).

<u>MILESTONE</u>	<u>DESCRIPTION</u>	<u>APPROVAL SCHEDULE</u>	<u>CURRENT ESTIMATE</u>	<u>APPROVAL LEVEL</u>
0	Concept Studies	4/91	Complete	OSD(C)
I	Concept Development	9/91	Complete	OSD(C)
II	Development Decision	9/91	Complete	OSD(C)
III	Production Decision	5/92	Complete	DFAS
IV	Major Modernization Dec	6/96	6/96	DFAS

Current Life-Cycle Phase: Operations and support

1. FY 1995 Accomplishments: DCPS supports over 411,000 Army, Navy, and Air Force civilian employees, of which approximately 97,000 were added in FY 1995. DCPS was implemented at 89 sites and one more major pay system, the Standard Army Civilian Pay System - Redesign (STARCIPS-R) was eliminated. Also, a fourth payroll office was established and began operating in Omaha, Nebraska. Planning and software programming for the large FY 1996 conversion effort was initiated.

2. FY 1996 Planned Program: By the end of FY 1996, DCPS will support over 651,000 employees. Of this total, approximately 240,000 accounts at 99 sites are scheduled to be added. Five payroll systems will be eliminated: U.S. Naval Station Rodman, Panama Canal Zone (Manual System); National Security Agency Payroll System (NSA); Army Corps of Engineers Payroll System (COE); Standard Army Technicians Payroll System (USPFO); and, the Naval Shipyard Management Information System (SYMIS). Large conversions continue including Panama, the National Security Agency, and the US Army Corps of Engineers.

3. FY 1997 Planned Program: By the end of FY 1997, DCPS will support approximately 837,000 accounts. Of this number, approximately 186,000 accounts (depending on DoD down-sizing) will be added, completing DCPS conversions DoD-wide. Eight payroll systems will be eliminated, bringing the total number of systems eliminated to twenty-six. Three-hundred and fifty-one payroll offices will be closed. FY 1997 planned conversions include civilian pay accounts serviced by the Defense Business Management System (DBMS).

G. Contract Information:

Contractor: Federal Computer Corporation (FCC).

- a. Contractor Description: ***
- b. Type of Contract: ***
- c. Contract Performance: ***

* Equipment is bought through Federal Computer Corporation (FCC) on an Indefinite Delivery-Quantity contract.

Maintenance is performed by FCC subcontractors (TELOS and Bell Atlantic) and an additional firm-fixed price contract with TELOS for equipment purchased prior to FCC contract availability.

Software licenses and maintenance are provided by firm-fixed price contracts with FCC, MANTECH Corporation, and Business Software, Inc.

In 1987, the Navy awarded competitive contracts for hardware purchase (including mainframes, peripherals, and terminals), software, and maintenance for NAVSCIPS. DFAS has worked with the General Services Administration (GSA) to gain Delegation of Procurement Authority (DPA) necessary to expand the use of existing Navy contracts or find alternative supply sources for DCPS hardware, software, and services.

GSA has granted DPAs for Denver Center software, continued use and delivery of contract resources necessary to support CDA development, and deployment of hardware and software resources supporting Navy payroll office/data collection points. Army and Air Force payroll office/data collection points will be implemented via existing Personal Computers (PC) and available resources from existing Army and Air Force contracts.

H. Comparison with FY 1996 Description Summary:

1. Technical Changes: None

2. Schedule Changes: Implementation is delayed ten months from September 1996 (FY 1996) to July 1997 (FY 1997). The delay is required to support Defense Accounting Office consolidations to the DFAS Operating Locations; accommodate customer requests for schedule changes (to avoid conflict with base closures or large down-sizing efforts); implement conversions planned, but delayed when DCPS migrated from the Defense Information Processing Center, Washington to the Defense Information Systems Agency Megacenter, Mechanicsburg; and because the unique software functional requirements for overseas areas and Bolling Air Force Base have taken longer than anticipated to receive and finalize.

FY 1996 and FY 1997 conversions are updated since the last President's Budget. Some conversions are rescheduled from one year to the next based on new projections regarding down-sizing and base closures.

3. Cost Changes: In the previous submission, we incorrectly identified Approved and Estimated LCC and Program Costs as the funded level of the program in the current budget submission. This submission reports LCC and Program Costs as approved in the most recent milestone review. The cost to complete changed since the last President's budget to reflect total life cycle cost (instead of just Program cost) minus sunk cost.

The FY 1996 decrease in development/modernization (dev/mod) since the last President's Budget reflects a decision to delay DCPS implementation reengineering until FY 1997. In addition, a decision was made not to purchase equipment required to interface with finance and accounting systems for non-DFAS activities.

The FY 1997 increase in dev/mod since the last President's Budget reflects converting an additional 136,000 accounts. The FY 1997 conversions include civilian pay accounts serviced by the Defense Business Management System (DBMS). Also, increased software dev/mod costs are due to complexity of defining and providing functionality required for several major implementations and for salary increases.

The FYs 1995, 1996, and 1997 current services increases since the last President's budget are because: 1) FY 1994 communication costs were expensed in FY 1995; 2) Actual FY 1995 Defense Information Systems Agency (DISA) communication charges exceeded the estimate; 3) FY 1996 and FY 1997 communication and Information Processing Center (IPC) costs changed based on improved estimates; 4) Program Management Office (PMO) costs (e.g., labor, travel, furniture, studies, and other contractual efforts) were not reported in the last President's Budget; and, 5) CDA software maintenance costs were inadvertently omitted by the Centers in the last President's Budget.

The FY 1996 current services decrease in this submission reflects overstatement of FY 1995 DISA IPC costs and the expensing of FY 1994 communication costs in FY 1995.

The FY 1997 current services decrease in this submission reflects a decrease in PMO and IPC costs.

**DEFENSE FINANCE AND ACCOUNTING SERVICE
DESCRIPTIVE SUMMARY
FY 1997 BUDGET ESTIMATES**

A. AIS Title and Number: Defense Joint Military Pay System
Active Component (DJMS-AC) (HQ2107),
Interim Migratory, 10/17/91

B. CIM Functional Area: Finance

C. Life-Cycle Cost and Program Cost: (in millions of dollars)

1. Then year (Inflated) dollars: *

Approved Life-cycle cost:
Estimated Life-cycle cost:

Approved Program cost:
Estimated Program cost:

2. Constant base year (FY 1990) dollars: *

Approved Life-cycle cost:
Estimated Life-cycle cost:

Approved Program cost:
Estimated Program cost:

3. Sunk Cost (actual): *

4. Cost to Complete: *

* Life cycle and program costs are included in the DJMS life cycle and program costs.

D. Cross Reference to Justification Book: Defense Business Operations Fund Capital Procurement Program - DFAS.

E. System Description: DJMS-AC is an interim migratory system under the purview of the DJMS strategic management program. DJMS-AC consolidates Army, Navy, and Air Force active duty and academy military pay processing. Ultimately, DJMS-AC will merge with DJMS-RC into a single Department of Defense (DoD) system. Presently, AC supports the consolidated Army and Air Force active duty accounts in addition to the Service academy accounts.

The AC system is actively managed in order to integrate pay functions in a phased implementation effort. The DJMS

Configuration Control Board (CCB) meets on a regular basis (Service point-of-contacts attend) in order to approve AC System Change Requests (SCRs) and review system progress. All AC SCRs are reviewed to ensure they meet DJMS charter requirements. Furthermore, the Board prioritizes requirements; ensures there is no duplication of effort; and, ensures legacy system requests are not approved if the changes will be made to DJMS within two years.

Systems being replaced by AC are:

1. Joint Uniform Military Pay System (JUMPS) DPET, Air Force Active Duty
2. Navy JUMPS
3. Navy JUMPS Allotment System
4. Savings Deposit Program System
5. Automated Incoming Message Distribution System
6. Naval Academy Midshipmen Pay System
7. Short Tour Pay System
8. West Point Cadet Pay System
9. JUMPS - Active Army
10. Cadet Pay and Accounting System

Functions performed are:

a. Pay computation: Compute net pay due from authorized entitlement less withholdings, deductions, and payments.

b. Leave record keeping: Maintain leave balances by accruing leave earned and deducting leave used. Provide monthly leave transaction updates.

c. Military pay accounting and reporting.

d. Report earnings and withholdings to federal, state, and local authorities.

Some benefits are timely and accurate payments, leave and earning statements; financial data that fairly presents operation results in reasonable compliance with laws, regulations, and policies; pay functions are standardized; and, modernization, operating and maintenance costs are lowered.

DJMS systems interface with a variety of Service, federal, and non-government systems to include: Standard Finance System (STANFINS), Consolidated Returned Items Stop Payment System (CRISPS), Standard Negotiable Instruments Processing Systems (SNIPPS), Defense Debt Management System (DDMS), Defense Retired Pay and Annuitant System (DRAS), and the Veterans Educational

Assistance Program (VEAP). In addition, DJMS systems interface with the Federal Bank, Internal Revenue Service, Social Security, Treasury Department, and Army Air Force Exchange Services.

The DFAS Denver, Cleveland, and Indianapolis Centers provide software development and maintenance services. Existing input systems are being used to collect initial pay transactions and to format data to meet AC requirements.

The Financial Systems Activity (FSA), Denver is the Central Design Activity (CDA) for this system.

F. Program Accomplishments and Plans:

MILESTONE	DESCRIPTION	APPROVAL SCHEDULE	CURRENT ESTIMATE	APPROVAL LEVEL
0	Concept Study Decision	10/91	Complete	DFAS
I	Concept Dev Decision	10/91	Complete	DFAS
II	Development Dec STP 4-2	10/91	Complete	DFAS
II	Development Dec STP 4-3	Complete	Complete	DFAS
III	Production Decision	12/97	12/97	MAISRC
IV	Major Mod Decision	TBD	TBD	MAISRC

Current Life-Cycle Phase: Development

1. FY 1995 Accomplishments: Implemented mandatory system changes directed by Congress and DoD, such as the 1995 Social Security and Medicare Wage Base increase; Puerto Rico income tax withholding; and, Continental United States (CONUS) Cost of Living Adjustment (COLA). In addition, implemented software changes increasing capability and performance resulting in improved customer service, such as adjusting for the year 2000 and beyond; and, printing 1-800 numbers on Leave and Earning statements. These modifications are because of customer requests, business process improvement initiatives, and application of new technology.

2. FY 1996 Planned Program: Implement mandatory system changes directed by Congress and DoD, such as the VHA Rate Protection and Combat Zone Tax Exclusion. In addition, implement software changes increasing capability and performance resulting in improved customer service, such as add Army prior-enlisted expiration term of service date change; 75% broken service bonus for the Navy; and separation payments -initial bonuses via Electronic Fund Transfer. These modifications are because of customer requests, business process improvement initiatives, and application of new technology.

3. FY 1997 Planned Program: Implement mandatory system changes directed by Congress and DoD, such as the board certified

pay non-physician health care providers change and adding open debts to taxable earnings at calendar year end. In addition, implement software changes increasing capability and performance resulting in improved customer service, such as a single source interface from the Army Personnel Center (ARPERCEN). These modifications are because of customer requests, business process improvement initiatives, and application of new technology.

G. Contract Information: N/A

Contractor:

- a. Contractor Description:
- b. Type of Contract:
- c. Contract Performance:

H. Comparison with FY 1996 Description Summary:

1. **Technical Changes:** None

2. **Scheduled changes:** None

3. **Cost Changes:** Project Management Office (PMO) operating costs are included under the DJMS program along with system operational costs. However, as AC is fielded, operating dollars are distributed from the DJMS program to support deployed systems.

The FY 1996 and FY 1997 decrease in dev/mod since the last President's budget reflects reduced number of software dev/mod SCRs being implemented.

The FYs 1995, 1996, and 1997 increase in current services since the last President's budget reflects the realignment of funding to AC as systems are deployed.

DEFENSE FINANCE AND ACCOUNTING SERVICE
DESCRIPTIVE SUMMARY
FY 1997 BUDGET ESTIMATES

A. AIS Title and Number: Defense Procurement Payment System, (DPPS), XX0010

B. CIM Functional Area: Finance

C. Life-Cycle Cost and Program Cost: (in millions of dollars)

1. Then year (Inflated) dollars: *

Approved Life-cycle cost:

Estimated Life-cycle cost:

Approved Program cost:

Estimated Program cost:

2. Constant base year (FY 1990) dollars: *

Approved Life-cycle cost:

Estimated Life-cycle cost:

Approved Program cost:

Estimated Program cost:

3. Sunk Cost (actual): *

4. Cost to Complete: *

* Economic Analysis is being developed. It is expected to be completed in September 1996.

D. Cross Reference to Justification Book: Defense Business Operations Fund Capital Procurement Program - DFAS

E. System Description: The DPPS mission is to reduce eight interim migratory and migratory systems into a single system. The mission scope encompasses contract pay (currently in Mechanization of Contract Administration Services (MOCAS)); vendor pay (currently supported by a number of systems); grants

and agreements pay (currently supported by a number of systems); and related accounting and disbursing functions or interfaces.

Presently, the contract and vendor payment community is composed of multiple legacy systems designed not to share data and manage information from a Department of Defense (DoD) perspective. Specifically:

a. These systems do not take advantage of available commercial technology. More precisely, their software and hardware platforms use outdated batch, flat-file structures instead of on-line, transactional, and analytical processing with relational database techniques. Hence, legacy systems processing performance is increasingly jeopardized. This lag between technology, software development, and the evolving nature of procurement business requirements causes limitations increasingly time-consuming and costly.

b. In addition, current Automated Information Systems (AISS) do not conform to Defense Data Dictionary Systems (DDDS) standards in that they do not employ standard data elements and contract payment business practices. Non-standardization results in an inability to share all necessary data. This deficiency has led to multiple re-keying of data; thereby, increasing the opportunity for error, data redundancy, duplication of work, and the inability to manage DoD information electronically. These deficiencies increased costs and caused major issues with resources, unmatched disbursements, negative unliquidated obligations, and increased attention regarding erroneous contract payments.

c. Failure to act on potential benefits of DPPS will further exacerbate the foregoing problems; incur inordinately high operational and systems maintenance cost; and, continue to waste millions of dollars in late payment penalties and lost prompt payment discounts.

The projected functional benefits of DPPS will:

- a. Resolve negative unliquidated obligation issues.
- b. Reduce overpayments to contractors and vendors.

c. Prevent unmatched disbursements.

d. Provide a new contract payment environment through the use of standard processes, standard shared data, electronic commerce, and electronic data interchange.

e. Improve data management and integrity by electronic input of source data to a shared data repository.

f. Replace disparate contract payment systems, subsystems, and databases with a single system.

g. Establish consistent corporate decision-making and increased end-user productivity through elimination of redundancies and hard-copy documents.

h. Improve cross-functional processes and standard data transfers.

i. Reduce labor intensive processes, duplicate data entry, and paper-handling tasks.

j. Ensure the capture of up-to-date accurate information resulting in more efficient contract payments.

k. Improve workload management; provide greater flexibility for systems changes.

l. Improve decision support capability.

m. Establish single-point funds availability validation.

While DPPS is still in the concept development stage, the current vision is for DPPS to interface with the Defense procurement community's Standard Procurement System (SPS) through a DoD Shared Data Warehouse (SDW). Interfaces to internal DFAS systems, such as accounting and disbursing systems will be through private databases controlled by DFAS.

The SDW concept was originated by the SPS community and is being developed under the auspices of the SPS program. DPPS will use the SDW as the interface point to SPS once each of those

systems becomes operational. Until then, the DPPS interface to procurement community information will be through MOCAS.

The Financial Systems Activity, Columbus serves as the technical integrator. The Defense Logistics Agency (DLA) Systems Design Center (DSDC) provides database design and modeling support for SDW, in addition to providing technical interfaces to MOCAS.

F. Program Accomplishments and Plans:

MILESTONE	DESCRIPTION	APPROVAL SCHEDULE	CURRENT ESTIMATE	APPROVAL LEVEL
0	Concept Study Decision	10/95	10/95	DFAS
I	Concept Development Dec	10/96	10/96	DFAS
II	Development Decision	TBD	TBD	DFAS
III	Production Decision	TBD	TBD	DFAS
IV	Major Modification Dec	TBD	TBD	DFAS

Current Life-Cycle Phase: Concept Study

1. FY 1995 Accomplishments: Milestone 0 documentation was completed. Established Project Management Office, Program Charter, and developed the Mission Needs Statement. Developed initial strategies of an integrated approach for design.

2. FY 1996 Planned Program: Milestone 0, Concept Study Decision was approved in October 1995. The FY 1996 effort involves the completion of multiple initiatives necessary for the concept development phase leading to the Milestone I review.

a. Major actions during the concept study (concept exploration and definition phase) include development of DPPS operational concept requirements, program management plan, economic analysis, system security plan, AIS telecommunications plan, configuration management plan, information systems technology plan, integrated logistics support plan, and data management plan.

b. Additional efforts are underway to complete modeling of As-Is data with a comparison to the DFAS Enterprise To-Be model for gaps and linkages. This effort is key to

developing systems and functional requirements for DPPS and the accounting and disbursing system(s) interfaces.

3. FY 1997 Planned Program: Concept development documentation will be completed; Milestone I will be approved. Actions for the demonstration and validation phase (Milestone II) will be initiated including software requirements and program specifications. An initial DPPS increment will be designed, coded, and tested. Applications interfacing with related systems will be determined. The existing program management and system related documents will be refined and updated as needed. Also, initial drafts of the following program management and system documents will be initiated: program baseline, test and evaluation master plan, software development plan, system and subsystem specifications, system and subsystem design description, software requirements specification, interface requirements specification, interface design description, software design description, software test plan, and software test description.

G. Contract Information:

1. Contractor: Boeing Information Services, Inc.

a. Contractor Description: Identify conceptual technical planning strategies and documentation of an integrated approach for DPPS design, demonstration, and development.

b. Type of Contract: Task Order.

c. Contract Performance: On schedule and within cost.

2. Contractor: KPMG Peat Marwick LLP

a. Contractor Description: Assist DFAS in developing and implementing a data quality assessment and management plan; train the DPPS PMO staff regarding document development processes, techniques and tools; and, facilitate plan implementation to ensure the processes and tools meet the needs of the contract payment function, related functions and organizations.

b. Type of Contract: Delivery Order

c. Contract Performance: On time and within cost.

H. Comparison with FY 1996 Descriptive summary:

1. Technical Changes: None

2. Schedule Changes: None

3. Cost Changes: The FY 1996 and FY 1997 current services increase in this submission reflects the establishment of the DPPS Program Management Office (PMO).

The FY 1996 development/modernization (dev/mod) increase in this submission reflects the preparation of life cycle program management and systems documentation required for Milestone I review scheduled for October 1996. In addition, this increase reflects the development and implementation of a data quality assessment and management plan outlining specific steps to develop and document contract payment processes and tools. This effort encompasses requirements analysis, data modeling, determination of hardware and software requirements, database development, initial DPPS design and development activities, development of a technical migration bridge, development of a migration strategy between the current MOCAS and vendor pay systems, and development of interfaces with related accounting and disbursing systems.

The FY 1997 dev/mod increase in this submission reflects costs to continue design and development of DPPS increments; determine non-DPPS interface requirements; and, further develop system requirements. Costs also support preparation of life cycle program management and system documentation required for Milestone II review.

DEFENSE FINANCE AND ACCOUNTING SERVICE
DESCRIPTIVE SUMMARY
FY 1997 BUDGET ESTIMATES

A. AIS Title and Number: Defense Property Accountability System
(DPAS) OD7505, Migratory System,
12/22/94

B. CIM Functional Area: Finance 60%/Logistics 40%

C. Life-Cycle Cost and Program Cost: (in millions of dollars)

1. Then year (Inflated) dollars:

Approved Life-cycle cost: \$92.4
Estimated Life-cycle cost: \$92.4

Approved Program Cost: \$53.6
Estimated Program Cost: \$53.6

2. Constant base year (FY 1990) dollars:

Approved Life-cycle cost: \$73.5
Estimated Life-cycle cost: \$73.5

Approved Program cost: \$41.7
Estimated Program cost: \$41.7

3. Sunk Cost (actual): \$11.8

4. Cost To Complete: \$80.6

D. Cross Reference to Justification Book: Defense Business Operations Fund Capital Procurement Program - DFAS.

E. System Description: DPAS is an on-line interactive system using a relational database management system to track real and personal property assets (other than weapons and tactical systems) owned by the Government. Real property includes land, buildings, structures, and their respective capital improvements. Personal property includes tangible and intangible assets with a useful life of at least two years. Property accounting is the

process by which financial control is exercised over these assets. The system provides reliable property accounting ensuring accurate financial statements as required by the Chief Financial Officers (CFO) Act and reliable physical property control as required by the Federal Managers Financial Integrity Act (FMFIA). DPAS functionality includes:

- a. Property Book (serial, bulk, and component inventory; authorizations; acquisition cost; improvement cost; depreciation; capital assets reporting; and general ledger reporting).
- b. Inventory Management (catalog, bar code, hand receipt, Automated Resource Management System and component supply system interfaces, scanners for physical inventories.)
- c. Equipment Utilization (planned versus actual, trip tickets, in use/not in use status).
- d. Asset Maintenance (automated scheduling, history, and warranty/maintenance contract information, improvement costs).

Data queries and reports, standard and ad-hoc, are available for on-line viewing and transmission to slave or line printers. DPAS provides the property officer with an automated means of accounting for and reporting of assets. The system automates monthly depreciation computation for capital assets. The DPAS software includes an application for scanning barcodes to support conducting physical inventories and property book reconciliation.

DPAS provides the equipment manager with an automated means to schedule maintenance or repairs, to track associated costs and to maintain equipment utilization records in order to perform life-cycle management over the equipment and replacement programs.

DPAS provides the financial manager with an automated means to track the individual line item assets on the property book to the dollar value reflected in the respective general ledger accounts and an automated audit trail to reconcile any differences.

DPAS system and business goals include:

- a. Bring all real and personal property under general ledger control;
- b. Integrate the property accountability system with the financial, supply, and disposal systems to improve data integrity and reduce duplicate data entry;
- c. Establish the property book as a subsidiary ledger to the General Ledger; and
- d. Reduce costs for property management, accounting, and information technology support functions.

DPAS is projected to replace a minimum of 150 DoD-wide unique property systems.

The Financial Systems Activity (FSA), Columbus is the Central Design Activity (CDA), providing software design, development, and implementation support for this system.

F. Program Accomplishments and Plans:

<u>MILESTONE</u>	<u>DESCRIPTION</u>	<u>APPROVAL SCHEDULE</u>	<u>CURRENT ESTIMATE</u>	<u>APPROVAL LEVEL</u>
0	Concept Study Decision	9/93	Completed	OUSD (C)
I	Concept Dev Decision	6/94	Completed	OUSD (C)
II	Development Decision	9/94	Completed	OUSD (C)
III	DPAS Implementation	3/95	Completed	OUSD (C)
IV	Major Modification	9/97	9/97	OUSD (C)

Current Life-Cycle Phase: Production

1. FY 1995 Accomplishments: Certified operational testing and evaluation; implemented DPAS for Army, DLA and Navy sites; and, automated system interfaces to two interim migratory financial systems.

2. FY 1996 Planned Program: Accelerate conversion from approximately one hundred fifty (150) unique property book applications across DoD. Complete incorporation of any open CFO and FFMIA finance and accounting system software requirements.

Develop interfaces to interim and migratory systems as required by expanded customer base. Develop, test and implement software Releases 2 and 3.

3. FY 1997 Planned Program: Complete installation of DPAS for the Navy and remaining Air Force sites. Establish FY 1998 schedule for reviews and initial validation of actual versus planned program goals. Perform preliminary evaluation for development of a future technical migration strategy to enhance customer functionality and system portability.

G. Contract Information: N/A, FSA Columbus is the Central Design Activity (CDA), providing software design, development, and implementation support for this system.

Contractor:

- a. Contractor Description:
- b. Type of Contract:
- c. Contract Performance:

H. Comparison with FY 1996 Descriptive Summary:

1. Technical Changes: Legacy system technical architecture migrated to a different hardware, database management and operating system configuration. Production operations transitioned from installation level to central support at DISA MegaCenter, Dayton.

2. Schedule Changes: Accelerated DoD-wide implementation based upon successful implementation and operation.

3. Cost Changes: The FY 1996 and FY 1997 development/modernization (dev/mod) and current services increases since the last President's Budget are due to acceleration of DoD-wide implementation (including associated customer assistance, training, maintenance, and operating costs) to achieve early operational capability.

In the current submission, FY 1996 and FY 1997 current services increases to support maintenance and operating costs for the expanded customer base, resulting from accelerated implementation schedule.

DEFENSE FINANCE AND ACCOUNTING SERVICE
DESCRIPTIVE SUMMARY
FY 1997 BUDGET ESTIMATES

A. AIS Title and Number: Defense Retiree and Annuitant Pay System (DRAS), HQ2703, Migratory System, 8/8/91

B. CIM Functional Area: Finance

C. Life-Cycle Cost and Program Cost: (in millions of dollars)

1. Then year (Inflated) dollars:

Approved Life-cycle cost: \$84.8
Estimated Life-cycle cost: \$84.8

Approved Program Cost: \$24.2
Estimated Program Cost: \$24.2

2. Constant base year (FY 1990) dollars:

Approved Life-cycle cost: \$69.6
Estimated Life-cycle cost: \$69.6

Approved Program Cost: \$21.6
Estimated Program Cost: \$21.6

3. Sunk Cost (actual): \$21.6

4. Cost To Complete: \$63.2

D. Cross Reference to Justification Book: Defense Business Operations Fund Capital Procurement Program - DFAS.

E. System Description: DRAS implemented centralized pay processing for all military retirees, their annuitants, and former spouses. Moreover, DRAS consolidated eight payroll systems computing retired and annuitant pay for the Army, Navy, Air Force, and Marine Corps into a single system operating at two

DFAS Centers. Thus, military retiree payments are maintained at the Cleveland Center whereas annuitant accounts are maintained at the Denver Center. DRAS standardized software and hardware, increased system functionality, reduced manpower requirements, and provided a more efficient environment for processing retired/annuitant pay.

DRAS is the standard Department of Defense (DoD) military payroll system for approximately 1.8 million retirees and 220,000 annuitants. The system:

- a. Computes active duty and reserve retired pay as well as survivor and annuity pay programs.
- b. Accounts for payments issued from the DoD Retired Pay trust fund.
- c. Reports payments, adjustments, deductions, and other pay related data.

DRAS achieved standardization of systems, procedures and policies. The payroll functions have been centralized while maintaining a high level of customer service.

- a. Software and hardware standardization and centralization reduces costly maintenance support. Advanced technologies, including imaging and voice response enhance system operations for our customers. Through the use of expanded field level data communications support, our field activities access the central location to better support our customers.
- b. The increased system functionality allows for more efficient account per employee ratios. Increased functionality coupled with centralization results in a reduced manpower requirement.
- c. Personnel and accounting interfaces are simplified because of the standard input and retrieval requirements.

DRAS replaced the following systems: Navy Annuitant Pay System, Air Force Retired Pay System, Marine Corps Annuitant Pay

System, Marine Corps Retired Pay System, Army Annuitant Pay System, and Army Retired Pay System.

DRAS interfaces with the following systems: Air Force Personnel System (AFP), Air Reserve Personnel System (ARPS), Annuitant Pay System (APS), Army Retired Integrated Support System (RISS), Army Transition Processing II Module (ATPM), Check Writing System (CWS), Defense Joint Military Pay System (DJMS), Defense Manpower Data Center (DMDC), Department of the Treasury systems (e.g., Internal Revenue System), Department of Veterans Affairs (DVA), Federal Reserve Bank (FRB), HQS Air Force Personnel System (HAF), Joint Uniform Military Pay System (JUMPS), Mail Imaging Routing and Optical Recording System (MIRORS), Marine Corps Total Force System (MCTFS), Navy Allotment System (NA), Navy Enlisted System (NES), Navy Officer Personnel Information System (OPINS), Navy Reserve Pay, Notice of Death (NOD), Office of Personnel Management systems, Retired/Casualty Pay Subsystem (RCPS), Returned Check and Bond System (RCBS), Universal Check System (UCS), and Social Security Administration (SSA) systems.

The Financial Systems Activities (FSAs), Cleveland and Denver are the Central Design Activities (CDAs) for retired pay and annuity pay subsystems, respectively. The CDAs provide software development/modernization and maintenance services.

F. Program Accomplishments and Plans:

<u>MILESTONE</u>	<u>DESCRIPTION</u>	<u>APPROVAL SCHEDULE</u>	<u>CURRENT ESTIMATE</u>	<u>APPROVAL LEVEL</u>
O	Concepts Study Decision	4/91	Complete	OSD (C)
I	Concept Decision	8/91	Complete	OSD (C)
II	Development Decision	8/91	Complete	OSD (C)
III	Production Decision			
	Phase 1 (Navy Ann)	5/93	Complete	DFAS
	Phase 2 (AF Ret)	11/93	Complete	DFAS
	Phase 3 (MC Ann & Ret)	7/94	Complete	DFAS
	Phase 4 (Army Ann & Ret)	4/95	Complete	DFAS
IV	Major Mod Decision	12/98	12/98	DFAS

Current Life-Cycle Phase: III Production Decision

1. FY 1995 Accomplishments: In April 1995, implemented approximately 612,000 Army retiree pay accounts and 103,000 Army annuitant pay accounts at DFAS Centers Cleveland and Denver. The first payday for these accounts was May 1, 1995.

In January 1995, DRAS completed the phased Automated Voice Response System (AVRS) implementation at DFAS Cleveland for all Air Force, Marine Corps and Navy military retirees. In May 1995, began the phased AVRS implementation of Army retirees one month after DFAS Cleveland assumed operational responsibility of the Army retired pay accounts.

Implemented AVRS at DFAS Denver Center.

2. FY 1996 Planned Program: Accomplish mandatory changes which were not applicable during DRAS development; functional changes (i.e., MIRORS and Integrated Voice Response System) due to increased customer base; and interfaces responding to replacing the Navy Joint Uniform Military Pay System with the Defense Joint Military Pay System.

3. FY 1997 Planned Program: Accomplish mandatory changes and functional changes; interfaces responding to replacing Navy Joint Uniform Military Pay System with Defense Joint Military Pay System; and technical changes for the year 2000 two-digit date field repairs.

Maintain fully operational system.

G. Contract Information: N/A, FSA Cleveland is the CDA for the retired pay subsystem and FSA, Denver is the CDA for retired annuitant pay subsystem. The CDAs provide software development/modernization and maintenance services.

Contractor: N/A

- a. **Contract Description:**
- b. **Type of Contract:**
- c. **Contractor Performance:**

H. Comparison with FY 1996 Description Summary:

1. Technical Changes: None

2. Schedule Changes: None

3. Cost Changes: FY 1997 development/modernization (dev/mod) increased since the last President's Budget reflects additional funds required to accomplish mandatory changes which were not applicable during DRAS development; functional changes (i.e., MIRORS and Integrated Voice Response System) due to increased customer base; interfaces responding to replacing Navy Joint Uniform Military Pay System with Defense Joint Military Pay System; and technical changes for the year 2000 two-digit date field repairs. FY 1996 and FY 1997 current services decreases reflects the disestablishment of the DRAS Program Management Office (PMO) in FY 1995.

In the current submission, FY 1996 and FY 1997 dev/mod increases reflect funding required to accomplish mandatory changes which were not applicable during DRAS development; functional changes (i.e., MIRORS and Integrated Voice Response System) due to increased customer base; interfaces responding to replacing Navy Joint Uniform Military Pay System with Defense Joint Military Pay System; and technical changes for the year 2000 two-digit date field repairs. The FY 1996 current services decrease reflects the disestablishment of the DRAS PMO in FY 1995.

In the previous submission, cost to complete reflected only dev/mod cost. In this submission, cost to complete has been revised to include both current services and dev/mod cost.

DEFENSE FINANCE AND ACCOUNTING SERVICE
DESCRIPTIVE SUMMARY
FY 1997 BUDGET ESTIMATES

A. AIS Title and Number: Marine Corps Total Force System
(MCTFS), KC2117

B. CIM Functional Area: Finance

C. Life-Cycle Cost and Program Cost: (in millions of dollars)

1. Then year (Inflated) dollars:

Approved Life-cycle cost: \$173.7
Estimated Life-cycle cost: \$173.7

Approved Program Cost: \$3.6
Estimated Program Cost: \$3.6

2. Constant base year (FY 1990) dollars:

Approved Life-cycle cost: \$142.8
Estimated Life-cycle cost: \$142.8

Approved Program Cost: \$3.4
Estimated Program Cost: \$3.4

3. Sunk Cost (actual): \$58.5

4. Cost To Complete: \$115.2

Program costs reflect cost to consolidate Joint Military Pay System/Manpower Management (JUMPS/MMS) and the Reserve Manpower Management Pay System (REMMPS). This consolidated database was completed in November 1994. Work continues to improve the efficiency and economy of MCTFS.

D. Cross Reference to Justification Book: Defense Business Operations Fund Capital Procurement Program - DFAS.

E. System Description: MCTFS is an integrated pay and personnel system supporting active duty and reserve Marine Corps personnel

and management requirements. As well as supporting Marine Corps personnel functions, the system establishes, computes, and pays Marines. Therefore, during peace and times of conflict, the individual Marine is supported by a single pay and personnel record containing all necessary data.

MCTFS was developed and implemented as a result of Strategic Plan (STP) 4-2, Standardization/Consolidation of Military Pay (Active, Reserve, National Guard). STP 4-2 directed the Army, Air Force, and Navy active and reserve components to use the Air Force pay system, Joint Service Software System (JSS) which has since converted to Defense Joint Military Pay System (DJMS) Active Component (AC) and Reserve Component (RC). However, because the Marine Corps was supported by a separate integrated pay and personnel system, STP 4-2 directed the active system, JUMPS/MMS, and the reserve system, REMMPS, be merged into one system. The merger was completed in November 1994 and the system was renamed MCTFS.

The MCTFS development allows the Marine Corps to take advantage of an integrated pay and personnel system. The Marine Corps has no plans to replace MCTFS.

MCTFS interfaces with the following systems: End User Computing Financial System (EUCF), Marine Corps Expenditure Reimbursement Reporting System and Navy Register System (MCERRS), Bond and Allotment System (B&A), On-Line Diary System (OLDS), Defense Retiree and Annuitant Pay System (DRAS), Integrated Automated Travel System (Army) (IATS(AR)), Automated Recruit Management System (ARMS), Defense Enrollment and Eligibility Reporting System (DEERS), Headquarters Accession Management System (HAMS), Unit Diary/Marine Integrated Personnel System (UD/MIPS), and, STANFINS Redesign (SRD-1).

The Financial Systems Activity, Kansas City provides Central Design Activity (CDA) support for this system. The MCTFS programs use computer equipment at the Defense Megacenter, St. Louis, Missouri.

F. Program Accomplishments and Plans:

MILESTONE	DESCRIPTION	APPROVAL SCHEDULE	CURRENT ESTIMATE	APPROVAL LEVEL
O	Concept Study Decision	10/91	Complete	DFAS
I	Concept Development Decision	10/91	Complete	DFAS
II	Development Decision	10/91	Complete	DFAS
III	Production Decision	10/94	Complete	DFAS
IV	Major Modification Decision	TBD	TBD	DFAS

Current Life-Cycle Phase: Operations and Support

1. FY 1995 Accomplishments: The November 1994 release was the final MCTFS development phase which reduced program code by consolidating significant program modules combining active duty and reserve pay and personnel requirements. Implemented program releases automating existing manual requirements and consolidated redundant processes improving system efficiency and reducing costs.

The May 1995 program release implemented changes to track foreign currency fluctuations on advance security deposits, extended data retention reducing research labor costs, reduced the possibility of erroneous allotment payments, and implemented legislated changes to the 1995 military pay rate table, tax table, and housing/Cost of Living Allowance (COLA) tables. In addition, implemented the Payroll Reconciliation Voucher form ensuring disbursements and entitlements match. The program releases ensured MCTFS remained compliant with legislative and policy changes while increasing economy and efficiency of operations.

2. FY 1996 Planned Program: Major system update releases implementing legislative and policy requirements along with system enhancements. System Change Requests (SCRs) include but are not limited to: establishing Direct Deposit/Electronic Fund Transfer (EFT) pay option to financial institutions when an individual joins the Marines, create automated process to administer Combat Zone Tax Exclusion regulations and prevent erroneous payment of Imminent Danger Pay, automatic start of Continental United States (CONUS) COLA, CONUS COLA rate change when Basic Allowance for Quarters (BAQ) changes, annual pay

raise, tax withholding updates, COLA compensation, FY 1996 Annual Personal Statement of Military Compensation (PSMC), automate disability pay for Reserve Marines, automate administration and accuracy of Variable Housing Allowance credits and Montgomery GI bill payments, implement legislated changes in Special Duty Assignment Pay and Treasury Department changes to the U.S. Treasury Check print format.

3. FY 1997 Planned Program: Major system update releases implementing legislative and policy requirements along with system enhancements. SCRs include but are not limited to: automating computation of reserve debt liquidation installment amounts which eliminates Reserve Pay requirement to manually compute and report installment amounts, merge the present Bond and Allotment System into MCTFS, provide automated interface between MCTFS and the accounting system for military pay obligations and expenditures, automate the garnishment, collection process, and preparation of prior year replacement IRS W-2 forms.

G. Contract Information:

Contractor: Computer System Design Incorporated (CDSI)

a. Contract description: Perform functional analysis and prepare SCR specifications to support software development and maintenance. Functional analysis includes reviewing design changes and system testing to ensure approved specifications are implemented.

b. Type of Contract: Firm-fixed price.

c. Contract Performance: Software development and implementation requirements are current with planned schedules.

H. Comparison with FY 1996 Descriptive Summary:

MCTFS became operational as a single system in FY 1995. Software modernization supports the consolidation and conversion of off-line modules, including: On-Line Diary, Bond and Allotment, and the Marine Corps Financial Assistance Program.

1. Technical Changes: None

2. Schedule Changes: Schedule changed to update operational MCTFS due to legislative or regulatory changes and to

enhance the system. For example, updates ensure the correct pay and tax rates are being used. Furthermore, MCTFS continues consolidating and automating the remaining manual pay processes used by the Marine Corps.

3. Cost Changes: The FY 1995 development/modernization (dev/mod) increase since the last President's budget reflects final MCTFS implementation.

The FY 1996 dev/mod decrease in this submission reflects completion of MCTFS implementation in FY 1995. In addition, decrease reflects reduced number of software dev/mod SCRs being implemented.

The FY 1997 dev/mod increase in this submission reflects merging the Marine Corps' Bond and Allotment System (B&A) functionality into MCTFS.

DEFENSE FINANCE AND ACCOUNTING SERVICE
DESCRIPTIVE SUMMARY
FY 1997 BUDGET ESTIMATES

- A. AIS Title and Number: Mechanization of Contract Administration Services (MOCAS), DL3201, Migratory System, 2/24/92
- B. CIM Functional Area: Finance
- C. Life-Cycle Cost and Program Cost: (in millions of dollars)
1. Then year (Inflated) dollars:

Approved Life-cycle cost: *
Estimated Life-cycle cost: *

 - Approved Program Cost: *
Estimated Program Cost: *

 2. Constant base year (FY 1990) dollars:

Approved Life-cycle cost: *
Estimated Life-cycle cost: *

 - Approved Program Cost: *
Estimated Program Cost: *

 3. Sunk Cost (actual): *

 4. Cost To Complete: *

* Refer to Defense Logistics Agency, Mechanization of Contract Administration Services (MOCAS), Exhibit 43 (IT-2) for the Life Cycle cost and Program cost. The cost shown in the DFAS budget, Exhibit 43 (IT-1), is funding to support DFAS initiatives for this system.

- D. Cross Reference to Justification Book: Defense Business Operations Fund Capital Procurement Program - DFAS.

E. System Description: MOCAS supports the DoD procurement mission by providing a system for contract administration and payment. DFAS is responsible for the MOCAS contract payment portion and has consolidated contract payment operations at the DFAS Columbus Center, except some unreconciled Navy contracts at the Charleston operating location of DFAS Cleveland Center.

The contract payment function includes entitlement determination, accounts management, prompt pay and cash management, disbursement, and accounting and procurement system interfaces.

MOCAS is the migratory contract payment system chosen by the DoD Comptroller and DFAS Contract Payment Corporate Information Management (CIM).

The Central Design Activity is DLA System Automation Center (DSAC) Columbus. DSAC Columbus provides software development, modernization, and maintenance support.

F. Program Accomplishments and Plans:

<u>MILESTONE</u>	<u>DESCRIPTION</u>	<u>APPROVAL SCHEDULE</u>	<u>CURRENT ESTIMATE</u>	<u>APPROVAL LEVEL</u>
	N/A			

1. FY 1995 Accomplishments: Implemented modifications increasing payment accuracy, provided prevalidation of obligations prior to disbursements, and completed projects, such as Progress Payment Redesign, Cash Management Contingent Liability Record, Unrecouped Progress Payments, and DFAS Duplicate Payments, which reduces the occurrence of contractor overpayment. A decision was made not to complete the Graphical User Interface (GUI) project for MOCAS because Defense Procurement Pay System will include a GUI environment.

2. FY 1996 Planned Program: Perform additional contract reconciliation work driven by the prevalidation of disbursement to obligation requirements and implement Electronic Data Interchange (EDI) ANSI X12 transaction sets. In conjunction with the prevalidation effort, the PC-based contract reconciliation system functionality is being enhanced. Implement changes

resulting in decreased contractor overpayment; streamline payment processes; perform modifications to comply with legislative and regulatory requirements; and, support consolidation efforts.

3. FY 1997 Planned Program: Perform modifications to comply with legislative and regulatory requirements; strengthen funds and internal systems controls; continue to incorporate EDI changes; make functional, expansion, interface and technical enhancements; and convert Enable database applications to run on the Local Area Network being installed at DFAS Columbus.

G. Contract Information:

Contractor: Coopers and Lybrand

- a. **Contract Description:** Provide support, such as contract reconciliation, analysis, and training support.
- b. **Type of contract:** Firm-fixed price, Option year one.
- c. **Contract Performance:** On schedule and within cost.

H. Comparison with FY 1996 Description Summary:

1. Technical Changes: MOCAS check writing was converted in FY 1995 to run on the Troy System. The Troy System provides high speed impact printers capable of printing up to 117,180 checks per hour. It also prints and verifies alpha-numeric Optical Character Recognition (OCR) fonts and Magnetic Ink Character Recognition (MICR) data used for imprinting magnetic signatures and postnet bar coding of zip codes.

2. Schedule Changes: None

3. Cost Changes: FY 1995, FY 1996, and FY 1997 development/modernization (dev/mod) increases since the last President's Budget support modifications to the MOCAS financial module in order to implement prevalidation and progress payment functionality; make changes reducing contractor overpayment and unmatched disbursements; and, convert Enable database applications to run on the Local Area Network being installed at DFAS Columbus.

FY 1995, FY 1996 and FY 1997 current services increased since the last President's Budget due to AMSI/MOCAS contract payment workload transfer from DFAS Albuquerque to DFAS Columbus;

increased mainframe resources supporting additional functionality provided by MOCAS software releases and the initiation of Spectra query capability; and, the expanded use of ad hoc inquiry requests using processing resources.

In the current submission, the FY 1996 dev/mod increase supports implementation of prevalidation and progress payment functionality and enhances the PC-based contract reconciliation system streamlining payment processes and reducing contractor overpayment and unmatched disbursements.

The FY 1997 dev/mod decrease reflects funding prevalidation of disbursements and contract reconciliation efforts in FY 1996, offset by a necessary increase converting Enable database applications to run on the Local Area Network being installed at DFAS Columbus.

DEFENSE FINANCE AND ACCOUNTING SERVICE
DESCRIPTIVE SUMMARY
FY 1997 BUDGET ESTIMATES

A. AIS Title and Number: NAVAIR Industrial Financial Management System (NIFMS) (DN6141) Interim Migratory 12/31/94

B. CIM Functional Area: Finance

C. Life Cycle Cost and Program Cost: (in millions of dollars)

1. Then year (Inflated) dollars:

Approved Life-cycle cost: *
Estimated Life-cycle cost: *

Approved Program cost: *
Estimated Program cost: *

2. Constant base year (FY 1990) dollars:

Approved Life-cycle cost: *
Estimate Life-cycle cost: *

Approved Program cost: *
Estimated Program cost: *

3. Sunk Cost (actual): *

4. Cost to Complete: *

* Updated cost figures are not yet available. An economic analysis on the NIFMS system is currently being prepared by Logistics Management Institute (LMI). The final reported from LMI is expected in April 1996. After completion of the economic analysis, the system will pass through the DFAS approval process before it is accepted and distributed for use.

D. Cross Reference to Justification Book: Defense Business Operating Funds Capital Procurement Program - DFAS.

E. System Description: NIFMS is a standard financial management system which performs budgeting, accounting, and reporting for six Naval Aviation Depots. The system consists of ten subsystems: Cash, Labor (interfaces with the Defense Civilian Payroll System), Other Cost, Material, Cost Summary, Job Order/Customer Order, Billing, General Ledger, Purge/History and Fixed Asset Accounting.

NIFMS is a fully integrated financial system and includes a general ledger accounting function. It supports all Comptroller functions and provides budget and actual financial data for project control. NIFMS provides on-line input capability for both source documents and accounting transactions, as well as daily and weekly batch update capability. The system interfaces with the Naval Aviation Depot Workload Control System, NAVAIR Industrial Material Management System, Defense Civilian Payroll System, Defense Accounting and Finance Centers and Local Travel Systems (one-point entry).

As an interim migratory system, NIFMS requires upgrading in order to comply with DBOF policies, the Chief Financial Officer (CFO) Act, and the Federal Manager's Financial Integrity Act (FMFIA). NIFMS also requires modifications to meet the Research and Development business area requirements and the Depot Maintenance requirements for the Ordnance and shipyard activities. NIFMS currently has no R&D unique functionality.

The Central Design Activity (CDA) for NIFMS is the Naval Aviation Depot Operations Center (NADOC), Patuxent River, MD. The CDA provides functional and technical support for the Naval Aviation Depots.

F. Program Accomplishments and Plans:

<u>MILESTONE</u>	<u>DESCRIPTION</u>	<u>APPROVAL SCHEDULE</u>	<u>CURRENT ESTIMATE</u>	<u>APPROVAL LEVEL</u>
I	Concept Study Decision	2/78	N/A	NALC
II	Concept Dev Decision	8/80	N/A	NAVDAC
III	Development Decision	8/80	N/A	ASN (FM)
IV	Production Decision	7/85	N/A	N/A
	Major Modification	TBD	TBD	DFAS

Current Life-Cycle Phase: Major Modification

1. FY 1995 Accomplishments: Maintained operational system at the Naval Aviation Depots; initiated Cost Analyses of NIFMS functional requirements for expansion into the R&D Business Area; initiated baselining analyses for NIFMS and R&D financial legacy systems; and developed contractual effort to baseline NIFMS legacy systems.

2. FY 1996 Planned Program: Upon completion of the NIFMS cost analysis and DFAS approval in September 1995, the decision was made to expand the scope of the project and to accelerate the implementation schedule.

The NIFMS project implementation changed significantly since the last submission. The decision was made to add the Marine Corps Logistics Bases (MCLB) in Albany, GA, and Barstow, CA, to the schedule. NIFMS will be implemented at MCLB Albany in October 1996, and MCLB Barstow in January 1997. The R&D implementation schedule has also been adjusted. There are now three Navy R&D sites scheduled for implementation in FY 1997 instead of two. The accelerated schedule increased the requirements for interface development funding for FY 1996. The table below shows the current and previous implementation plan for FY 1997 and FY 1998.

Current Implementation Plan

MCLB Barstow, CA	10/96
NUWC Newport, RI	10/96
MCLB Albany, GA	1/97
NCCOSC San Diego, CA	1/97
NAWC Patuxent River, MD	4/97
NSWC Indian Head, MD	10/97
NAWC China Lake, CA	1/98
NAWC Point Mugu, CA	1/98
NUWC Keyport, WA	4/98
NSWC Crane, IN	7/98
NSWC Dahlgren, VA	1/99
NSWC Panama City, FL	1/99
NSWC Carderock, MD	7/99
NSWC Port Hueneme, CA	10/99
NRL Washington, DC	1/00

Previous Implementation Plan

NAWC China Lake, CA	10/96
NAWC Point Mugu, CA	10/96
NAWC Indianapolis, IN	10/97
NCCOSC San Diego, CA	10/97
NUWC Keyport, WA	10/97
NSWC Indian Head, MD	10/97
NAWC Patuxent River, MD	10/97
NAWC Lakehurst, NJ	10/97

The R&D enhancement System Change Requests (SCRs) will be completed. The completion of these R&D SCRs will have a positive impact on the following Key Accounting Requirements (KARs): General Ledger (KAR 1), Fixed Assets (KAR 2), Receivables (KAR 3), Cost Accounting (KAR 4), Accrual Accounting (KAR 5), Military and Civilian Payroll Procedures (KAR 6), Funds Control (KAR 7), Audit Trails (KAR 8), Payables (KAR 9), System Documentation (KAR 10), User Information Needs (KAR 12), and Budgetary Accounting (KAR 13).

NIFMS conversion to an Open System Environment (OSE) and the equipment purchase related to the conversion is being held in abeyance, pending the results of the CACI study currently underway. There is a parallel study underway by DFAS-Headquarters for all Interim Migratory systems. A decision will be made when the results of both studies are available.

3. FY 1997 Planned Program: Continue NIFMS operations. Continue programming work on, and initiate implementation of, DBOF policy, CFO, FMFIA, and data conversion requirements. Deploy NIFMS to replace Naval Undersea Warfare Center Newport's Financial Management System (FMS) and Marine Corps Industrial Fund (MCIF) System at the Marine Corps logistic bases.

G. Contract Information:

Contractor: TBD

- a. **Contractor Description:**
- b. **Type of Contract:**
- c. **Contract Performance:**

H. Comparison with FY 1996 Description Summary:

1. Technical Changes: In FY 1996, the SCR was prepared and funding provided to partition the NIFMS database. This will result in significant cost avoidance in operating costs.

2. Schedule Changes: Upon completion of the NIFMS cost analysis and DFAS approval in September 1995, the decision was made to expand the scope of the project and to accelerate the implementation schedule as reflected in the FY 1996 Planned Program.

NIFMS conversion to an OSE and the equipment purchase related to the conversion is being held in abeyance pending the results of the CACI study currently underway. There is a parallel study underway by DFAS-Headquarters for all interim migratory systems. A decision will be made when the results of both studies are available.

KAR deficiencies will not be corrected in FY 1996 however, the R&D enhancements will be completed. The completion of these R&D SCRs will have a positive impact on the following KARs: General Ledger (KAR 1), Fixed Assets (KAR 2), Receivables (KAR 3), Cost Accounting (KAR 4), Accrual Accounting (KAR 5), Military and Civilian Payroll Procedures (KAR 6), Funds Control (KAR 7), Audit Trails (KAR 8), Payables (KAR 9), System Documentation (KAR 10), User Information Needs (KAR 12), and Budgetary Accounting (KAR 13).

3. Cost Changes: FY 1995 development/modernization (dev/mod) decreased since the last President's Budget. Major development was deferred until a cost analysis was completed to identify the high level implementation milestones with associated estimated enhancements and implementation costs. FY 1995 funds were obligated for requirements analysis in the following areas: (1) Placement of DoD Chart of Accounts in NIFMS; (2) NIFMS conversion to OSE; (3) Grassley amendment requirements; and (4) R&D enhancement unique requirements.

FY 1996 dev/mod increased since the last President's Budget due to the acceleration of the implementation plan and the addition of the MCLB sites in Barstow, CA and Albany, GA in FY 1996. Additional funds were required for the development of interfaces which must be completed prior to system implementation at the R&D and MCLB sites.

In the current submission, the FY 1996 dev/mod increase also supports the development work authorized for FY 1996 and the decision to move forward on the NIFMS implementation.

DEFENSE FINANCE AND ACCOUNTING SERVICE
DESCRIPTIVE SUMMARY
FY 1997 BUDGET ESTIMATES

A. AIS Title and Number: Standard Finance System (STANFINS),
IN7207

B. CIM Functional Area: Finance

C. Life-Cycle Cost and Program Cost: (in millions of dollars)

1. Then year (Inflated) dollars:

Approved Life-cycle cost: \$67.9
Estimated Life-cycle cost: \$67.9

Approved Program Cost: \$9.2
Estimated Program Cost: \$9.2

2. Constant base year (FY 1990) dollars:

Approved Life-cycle cost: \$56.6
Estimated Life-cycle cost: \$56.6

Approved Program Cost: \$7.9
Estimated Program Cost: \$7.9

3. Sunk Cost (actual): \$27.3M

4. Cost To Complete: \$40.6

D. Cross Reference to Justification Book: Defense Business Operations Fund Capital Procurement Program - DFAS.

E. System Description: STANFINS is an installation level finance and accounting system. It is used by 55 Defense Accounting Offices (DAOs) in direct support of Army budget functions in order to meet Army, Department of Defense, Treasury, and Office of Management and Budget accounting and reporting requirements.

STANFINS supports the Finance and Accounting Offices by performing the following accounting functions: Fund Distribution and Control, Budget Execution and Reporting, Inventory Accounting, Property Accounting, Cost Accounting, General Ledger Control and Reporting, Accounts Receivable, Accounts Payable, Sales.

STANFINS interfaces with the following installation level information systems:

1. Automated System for Army Commissaries (ASAC)
2. Standard Army Financial Inventory Accounting and Reporting System (STARFIARS)
3. Integrated Facilities System (IFS)
4. Standard Installation/Division Personnel System (SIDPERS)
5. Standard Army Civilian Payroll System (STARCIPS)
6. STARCIPS-Redesign
7. Defense Joint Military Pay System (DJMS)
8. Defense Automated Addressing System (DAAS)
9. Defense Civilian Pay System (DCPS)
10. HQ Accounting and Reporting System (HQARS)
11. DoD Medical Expense and Performance Reporting System (MEPRS)
12. Standard Automated Voucher Examination System (SAVES)
13. STANFINS Redesign - I (SRD-I)
14. Tactical Unit Financial Management Information System (TUFMIS)
15. Dbase Commitment Accounting System (DCAS)
16. Standard Property System - Redesign (SPBS-R)

STANFINS provides the finance and accounting office, accounting branch with interactive data entry and query capabilities.

The DCAS module supports informal commitment accounting, budget formulation, and STANFINS reconciliation:

1. Monitors availability of uncommitted and unobligated budgetary authority.
2. Enhances capability to manage uncommitted obligations, undelivered orders, and unliquidated obligations.

3. Generates STANFINS obligation updates.

4. Downloads obligation adjustment data and provides capability to reconcile commitment ledgers.

The Financial Systems Activity (FSA), Cleveland provides Central Design Activity Support for this system.

F. Program Accomplishments and Plans:

STANFINS provides Army readiness and training installations with a standard automated method for processing installation level financial transactions. Modernization efforts are necessary to implement directed statutory and regulatory requirements.

<u>MILESTONE</u>	<u>DESCRIPTION</u>	<u>APPROVED SCHEDULE</u>	<u>CURRENT ESTIMATE</u>	<u>APPROVAL LEVEL</u>
O	Concept Studies Dec	02/80	Complete	OA/ASA
I	Concept Dev Decision	10/80	Complete	DFAS/DA
II	Development Decision	08/83	Complete	DFAS/DA
III	Production Decision	03/87	Complete	DFAS/DA
IV	Major Mod Decision	03/91	Complete	DFAS/DA

Current Life-Cycle Phase: Operations and Support

1. FY 1995 Accomplishments: The Standard Property Book System - Redesign interface was developed. Several SCRs were implemented which improved the DCPS interface. Fixed the following problems: double reporting of man-hours for certain Gross Pay Types; a dollars and man-hours truncation; a FY; and, enhanced information available to program directors. Also, eliminated repetitive corrections of the same records each month. Removed many STANFINS tables from imbedded programs which relied on change package releases in order to change. Now, we can update our tables on an as needed basis without programming which makes STANFINS more reactive to errors or policy changes. Many SCRs made improvements to deficient Key Accounting Requirements.

2. FY 1996 Planned Program: Since STANFINS is now a legacy system scheduled for replacement, the development/modernization (dev/mod) efforts are minimal. Only statutory, mandatory,

regulatory, some justifiable, cost-effective policy changes, and necessary interface changes (e.g., Standard Finance System - Redesign System (SRD-1) will be completed. STANFINS will implement prevalidation of obligations this year. Perform necessary FY 1996 to FY 1997 changes to transfer and set up the system, as required, for other fiscal year changes.

3. FY 1997 Planned Program: Software modernization supports mandatory functional changes required to comply with legislative and policy requirements. STANFINS will be replaced by an interim migratory system based on the results of the Corps of Engineers Financial Management System (CEFMS) study.

G. Contract Information: N/A

Contractor:

- a. Contractor Description:
- b. Type of Contract:
- c. Contract Performance:

H. Comparison with FY 1996 Descriptive Summary:

1. Technical Changes: None

2. Schedule Changes: In July 1995, STANFINS was redesignated as a legacy system.

3. Cost Changes: The FYs 1995, 1996, and 1997 decreases in current services and development/modernization (dev/mod) are because STANFINS has been designated as a legacy system. The STANFINS budget was reduced because implementing Key Accounting Requirements is no longer required. Only mandatory, regulatory, and statutory software changes will be made.

Previous information processing support costs were based on estimates provided by the Department of Army. This budget reflects lower estimates as provided by DISA based on information processing requirements for Army activities which transferred to DISA.

Life Cycle Cost was revised to include current services costs not included in this number in the previous submission. Program Cost was revised to reflect the change in the system status from interim migratory to legacy.

DEFENSE FINANCE AND ACCOUNTING SERVICE
FIP RESOURCES REQUIREMENTS AND INDEFINITE DELIVERY/INDEFINITE
QUANTITY CONTRACTS
FY 1997 BUDGET ESTIMATES
(Dollars in Thousands)

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DEFENSE FINANCE AND ACCOUNTING SERVICE
FIP RESOURCES REQUIREMENTS AND INDEFINITE DELIVERY/INDEFINITE
QUANTITY CONTRACT (USER)
FY 1997 BUDGET ESTIMATES

A. Contract Name: Desktop IV

B. Description of Contract: Desktop IV contracts provide four desktop PC solutions; Basic, Intermediate, Advanced, and Open Systems Common Application Environment systems, with or without software. Also available are printers, tape back-up, removable storage devices and office automation software.

C. Contract Number: F01620-93-D-0001
F01620-93-D-0002

D. Estimated Contract Requirement by Appropriation: (\$000)

	<u>FY 1996</u>	<u>FY 1997</u>
DBOF	\$38	
Total	\$38	

E. Contract Data: N/A

(1). **Contract awarded to:**

(2). **Contract Award Date:**

(3). **Brand name(s) and model number(s) of primary hardware and software:**

(4). **Contract duration (in years):**

(5). **Contract renewal options:**

(6). **Estimated value of contract:**

(7). **Minimum obligation by FY:**

**DEFENSE FINANCE AND ACCOUNTING SERVICE
FIP RESOURCES REQUIREMENTS AND INDEFINITE DELIVERY/INDEFINITE
QUANTITY CONTRACT (USER)
FY 1997 BUDGET ESTIMATES**

A. Contract Name: Army Joint Services Small Multi-User Computer (SMC)

B. Description of Contract: The Army Joint Services Small Multi-User Computer contract provides fully integrated hardware, software, networking and communication solutions and a wide range of user support solutions.

C. Contract Number: DAHC94-90-D-0012

D. Estimated Contract Requirement by Appropriation: (\$000)

	<u>FY 1996</u>	<u>FY 1997</u>
DBOF	\$188	\$215
CPP	\$1,153	\$506
Total	\$1,341	\$721

E. Contract Data: N/A

(1). Contract awarded to:

(2). Contract Award Date:

(3). Brand name(s) and model number(s) of primary hardware and software:

(4). Contract duration (in years):

(5). Contract renewal options:

(6). Estimated value of contract:

(7). Minimum obligation by FY:

DEFENSE FINANCE AND ACCOUNTING SERVICE
FIP RESOURCES REQUIREMENTS AND INDEFINITE DELIVERY/INDEFINITE
QUANTITY CONTRACT (USER)
FY 1997 BUDGET ESTIMATES

- A. Contract Name: Super Minicomputer Follow-on
- B. Description of Contract: The Super Minicomputer Follow-on contract is a firm fixed price IDIQ contract used for the supply of Super Minicomputer systems and related services.
- C. Contract Number: F19360-93-D-0001
- D. Estimated Contract Requirement by Appropriation: (\$000)

	<u>FY 1996</u>	<u>FY 1997</u>
DBOF	\$206	\$237
CPP	\$2,704	
Total	\$2,910	\$237

- E. Contract Data: N/A
- (1). Contract awarded to:
- (2). Contract Award Date:
- (3). Brand name(s) and model number(s) of primary hardware and software:
- (4). Contract duration (in years):
- (5). Contract renewal options:
- (6). Estimated value of contract:
- (7). Minimum obligation by FY:

DEFENSE FINANCE AND ACCOUNTING SERVICE
FIP RESOURCES REQUIREMENTS AND INDEFINITE DELIVERY/INDEFINITE
QUANTITY CONTRACT (USER)
FY 1997 BUDGET ESTIMATES

A. Contract Name: Defense Enterprise Integration Services

B. Description of Contract: The Defense Enterprise Integration Services are a set of IDIQ contracts providing integration services for both DoD and other federal agencies. The services provided will assist in meeting the challenges of an accelerated implementation of migration systems, data standards and process improvements.

C. Contract Number: DCA100-94-D-0017

D. Estimated Contract Requirement by Appropriation: (\$000)

	<u>FY 1996</u>	<u>FY 1997</u>
DBOF	\$8,427	\$4,472
CPP	\$1,456	
Total	\$9,883	\$4,472

E. Contract Data: N/A

- (1). Contract awarded to:
- (2). Contract Award Date:
- (3). Brand name(s) and model number(s) of primary hardware and software:
- (4). Contract duration (in years):
- (5). Contract renewal options:
- (6). Estimated value of contract:
- (7). Minimum obligation by FY:

**DEFENSE FINANCE AND ACCOUNTING SERVICE
FIP RESOURCES REQUIREMENTS AND INDEFINITE DELIVERY/INDEFINITE
QUANTITY CONTRACT (USER)
FY 1997 BUDGET ESTIMATES**

A. Contract Name: Sustaining Base Information System (SBIS)

B. Description of Contract: The SBIS contract provides Open Systems Environment (OSE) Infrastructure including Commercial-Off-The-Shelf (COTS) hardware (servers, workstations, cabling, LAN/communications, and peripherals/printers) and software (operating systems, network management, design tools, and office automation). It also provides support services and AIS Software Development. It is a combined Fixed Price and Cost Reimbursement contract with ordering provisions of an IDIQ contract.

C. Contract Number: DAHC94-93-D-0013

D. Estimated Contract Requirement by Appropriation: (\$000)

	FY 1996	FY 1997
CPP	\$115	\$51
Total	\$115	\$51

E. Contract Data: N/A

(1). Contract awarded to:

(2). Contract Award Date:

(3). Brand name(s) and model number(s) of primary hardware and software:

(4). Contract duration (in years):

(5). Contract renewal options:

(6). Estimated value of contract:

(7). Minimum obligation by FY:

**DEFENSE FINANCE AND ACCOUNTING SERVICE
FIP RESOURCES REQUIREMENTS AND INDEFINITE DELIVERY/INDEFINITE
QUANTITY CONTRACT (LEAD COMPONENT)
FY 1997 BUDGET ESTIMATES**

A. Contract Name: DFAS Imaging Solutions

B. Description of Contract: The acquisition strategy consists of a single solicitation resulting in the competitive award of a cost plus fixed fee (CPFF) indefinite delivery indefinite quantity (IDIQ) services-type contract. This acquisition established a standard imaging integration support services, software and hardware vehicle for all of DFAS to use.

C. Contract Number: N00140-94-BE54

D. Estimated Contract Requirements by appropriation: (\$000)

	<u>FY 1996</u>	<u>FY 1997</u>
DBOF	\$4,846	\$5,267
CPP	\$9,400	\$26,700
Total	\$14,246	\$31,967

E. Contract Data:

(1). **Contract awarded to:** Electronic Data Systems Corporation.

Solicitation Number: N00140-94-R-BE54
GSA DPA Case Number: KMA-94-0209 (A)
Contract Number: N00140-94-BE54

(2). **Contract Award Date:** September 21, 1994

(3). **Brand name(s) and model number(s) of Primary hardware and software:**

SOFTWARE

Wang OPEN/Image (Low volume scanning)

Wang OPEN/Workflow

Kodak - Integrated Capture Management System (ICMS)
(Medium, high volume scanning)

Recognition Research Inc. - Forms Processing, OCR/ICR

DOCUMENT CAPTURE AND INDEXING

Scanner Servers

AXIL 320, S/400

OCR Hardware Engine

Caere/Calera High, Medium, and Low Volume

ICR Hardware Engine

ElectroCom High and Medium Volume

Scanners and Adapters

Fujitsu - Low and Medium speed

Bell and Howard - Medium speed

Kodak - High speed (66 and 144 pages per minute)

DOCUMENT AND WORKFLOW MANAGEMENT

Document and Workflow Servers

HP 9000 - Multiple models, Small/Medium, Medium/Large,
Large

Optical Storage Devices

ATG Cygnet 12" - Multiple models, Small/Medium/Large

HP 5.25" - Multiple models, Small/Medium/Large

RAID Storage Devices

EMC Corporation Centriplex 1000

(4). **Contract duration:** 5-year program; FY 1995 - FY 1999.

(5). **Contract renewal options:** One base year, four option years to be exercised at the government's option. Option year one exercised on September 1, 1995.

(6). **Estimated value of contract:** Delegation of Procurement Authority (DPA) is for \$95.3 million. Total contract award value is \$81.6 million.

(7). **Minimum obligation by FY:** 10% of base year only.

DEFENSE FINANCE AND ACCOUNTING SERVICE
FIP RESOURCES REQUIREMENTS AND INDEFINITE DELIVERY/INDEFINITE
QUANTITY CONTRACT (USER)
FY 1997 BUDGET ESTIMATES

- A. Contract Name: Personal Computer Local Area Network (PC LAN)
- B. Description of Contract: The PC LAN contract provides spare parts.
- C. Contract Number: F19630-91-D-0001
- D. Estimated Contract Requirement by Appropriation: (\$000)

	<u>FY 1996</u>	<u>FY 1997</u>
CPP	\$115	\$51
Total	\$115	\$51

E. Contract Data: N/A

- (1). Contract awarded to:
- (2). Contract Award Date:
- (3). Brand name(s) and model number(s) of primary hardware and software:
- (4). Contract duration (in years):
- (5). Contract renewal options:
- (6). Estimated value of contract:
- (7). Minimum obligation by FY:

DEFENSE FINANCE AND ACCOUNTING SERVICE
FIP RESOURCES REQUIREMENTS AND INDEFINITE DELIVERY/INDEFINITE
QUANTITY CONTRACT (USER)
FY 1997 BUDGET ESTIMATES

- A. Contract Name: Unified Local Area Network II (ULANA II)
- B. Description of Contract: The ULANA II contract provides local area network (LAN) hardware and software components and services.
- C. Contract Number: F34608-94-D-0011
- D. Estimated Contract Requirement by Appropriation: (\$000)

	<u>FY 1996</u>	<u>FY 1997</u>
DBOF	\$38	\$43
CPP	\$1,153	\$506
Total	\$1,191	\$549

- E. Contract Data: N/A
- (1). Contract awarded to:
- (2). Contract Award Date:
- (3). Brand name(s) and model number(s) of primary hardware and software:
- (4). Contract duration (in years):
- (5). Contract renewal options:
- (6). Estimated value of contract:
- (7). Minimum obligation by FY:

DEFENSE FINANCE AND ACCOUNTING SERVICE
FIP RESOURCES REQUIREMENTS AND INDEFINITE DELIVERY/INDEFINITE
QUANTITY CONTRACT (USER)
FY 1997 BUDGET ESTIMATES

A. Contract Name: Database Machine

B. Description of Contract: The Database Machine contract is an IDIQ contract which provides a 486/33 PC with the SCO Unix operating system and Oracle v7.0. It provides relational database management services to a variety of government owned host/client computers currently installed in the continental United States and sites outside the continental United States. It also provides the capability to develop and maintain an open systems architecture.

C. Contract Number: F19628-93-D-0018

D. Estimated Contract Requirement by Appropriation: (\$000)

	<u>FY 1996</u>	<u>FY 1997</u>
CPP	\$1,153	\$253
Total	\$1,153	\$253

E. Contract Data: N/A

(1). Contract awarded to:

(2). Contract Award Date:

(3). Brand name(s) and model number(s) of primary hardware and software:

(4). Contract duration (in years):

(5). Contract renewal options:

(6). Estimated value of contract:

(7). Minimum obligation by FY:

DEFENSE FINANCE AND ACCOUNTING SERVICE
FIP RESOURCES REQUIREMENTS AND INDEFINITE DELIVERY/INDEFINITE
QUANTITY CONTRACT (LEAD COMPONENT)
FY 1997 BUDGET ESTIMATES

A. Contract Name: DFAS FIP Infrastructure

B. Description of Contract: The DFAS FIP Infrastructure contract is an IDIQ type contract which will provide FIP Infrastructure hardware, software, and services to meet DFAS infrastructure requirements.

C. Contract Number: N00244-95-D-8029

D. Estimated Contract Requirement by Appropriation: (\$000)

	<u>FY 1996</u>	<u>FY 1997</u>
DBOF	\$7,508	\$9,396
CPP	\$21,907	\$10,117
Total	\$29,415	\$19,513

E. Contract Data:

(1). Contract awarded to: UNISYS

(2). Contract Award Date: September 8, 1995

(3). Brand name(s) and model number(s) of primary hardware and software: N/A

(4). Contract duration (in years): One

(5). Contract renewal options: 4 option years

(6). Estimated value of contract: The delegation of procurement authority was for \$210 million.

(7). Minimum obligation by FY: \$1 million for the base year and each option year.

DEFENSE FINANCE AND ACCOUNTING SERVICE
FIP RESOURCES REQUIREMENTS AND INDEFINITE DELIVERY/INDEFINITE
QUANTITY CONTRACT (USER)
FY 1997 BUDGET ESTIMATES

A. Contract Name: Computer Aided Design Second Acquisition
Facilities Design Engineering

B. Description of Contract: The Facilities CAD II contract is
an IDIQ type contract which provides Sun Workstations, servers,
software and support services.

C. Contract Number: N66032-3-D-0022

D. Estimated Contract Requirement by Appropriation: (\$000)

	<u>FY 1996</u>	<u>FY 1997</u>
DBOF	\$676	
Total	\$676	

E. Contract Data: N/A

(1). Contract awarded to:

(2). Contract Award Date:

(3). Brand name(s) and model number(s) of primary hardware
and software:

(4). Contract duration (in years):

(5). Contract renewal options:

(6). Estimated value of contract:

(7). Minimum obligation by FY:

DEFENSE FINANCE AND ACCOUNTING SERVICE
FIP RESOURCES REQUIREMENTS AND INDEFINITE DELIVERY/INDEFINITE
QUANTITY CONTRACT (USER)
FY 1997 BUDGET ESTIMATES

- A. Contract Name:** Army Personal Computer - 1
- B. Description of Contract:** The Army Personal Computer-1 contract is an IDIQ type contract which provides for a standard and configurable desktop personal computer solution. Office automation software PC peripherals are also available.
- C. Contract Number:** DAHC94-95-0006
- D. Estimated Contract Requirement by Appropriation: (\$000)**

	<u>FY 1996</u>	<u>FY 1997</u>
DBOF	\$1,929	\$1,382
CPP	\$4,777	\$1,603
Total	\$6,706	\$2,985

- E. Contract Data:** N/A
- (1). Contract awarded to:
- (2). Contract Award Date:
- (3). Brand name(s) and model number(s) of primary hardware and software:
- (4). Contract duration (in years):
- (5). Contract renewal options:
- (6). Estimated value of contract:
- (7). Minimum obligation by FY:

DEFENSE FINANCE AND ACCOUNTING SERVICE
FIP RESOURCES REQUIREMENTS AND INDEFINITE DELIVERY/INDEFINITE
QUANTITY CONTRACT (USER)
FY 1997 BUDGET ESTIMATES

A. Contract Name: Army Portable One

B. Description of Contract: The Army Portable One contract is an IDIQ type contract which provides for portable computers, i.e. laptops, notebooks, sub-notebooks, personal digital assistants and PC peripherals.

C. Contract Number: DAHF94-95-D-0002

D. Estimated Contract Requirement by Appropriation: (\$000)

	<u>FY 1996</u>	<u>FY 1997</u>
DBOF	\$38	\$43
Total	\$38	\$43

E. Contract Data: N/A

(1). Contract awarded to:

(2). Contract Award Date:

(3). Brand name(s) and model number(s) of primary hardware and software:

(4). Contract duration (in years):

(5). Contract renewal options:

(6). Estimated value of contract:

(7). Minimum obligation by FY:

DEFENSE FINANCE AND ACCOUNTING SERVICE
FIP RESOURCES REQUIREMENTS AND INDEFINITE DELIVERY/INDEFINITE
QUANTITY CONTRACT (USER)
FY 1997 BUDGET ESTIMATES

A. Contract Name: Umbrella II/III

B. Description of Contract: The Umbrella II contract requirements contract is a follow-on to the current Umbrella II support services contract which expired September 30, 1995. The Umbrella III contract will provide software development and maintenance support services for the Army and Defense components.

C. Contract Number: KMA-95-0029

D. Estimated Contract Requirement by Appropriation: (\$000)

	<u>FY 1996</u>	<u>FY 1997</u>
DBOF	\$4,337	\$4,788
Total	\$4,337	\$4,788

E. Contract Data: N/A

(1). Contract awarded to:

(2). Contract Award Date:

(3). Brand name(s) and model number(s) of primary hardware and software:

(4). Contract duration (in years):

(5). Contract renewal options:

(6). Estimated value of contract:

(7). Minimum obligation by FY:

DEFENSE FINANCE AND ACCOUNTING SERVICE
FIP RESOURCES REQUIREMENTS AND INDEFINITE DELIVERY/INDEFINITE
QUANTITY CONTRACT (USER)
FY 1997 BUDGET ESTIMATES

A. Contract Name: Air Force Integrated Management Configuration (IMC)

B. Description of Contract: The Air Force IMC contract is an IDIQ type contract which provides all types of video teleconferencing systems.

C. Contract Number: DAKF11-95-D-0001

D. Estimated Contract Requirement by Appropriation: (\$000)

	<u>FY 1996</u>	<u>FY 1997</u>
CPP	\$288	\$126
Total	\$288	\$126

E. Contract Data: N/A

(1). Contract awarded to:

(2). Contract Award Date:

(3). Brand name(s) and model number(s) of primary hardware and software:

(4). Contract duration (in years):

(5). Contract renewal options:

(6). Estimated value of contract:

(7). Minimum obligation by FY:

DEPARTMENT OF DEFENSE
DEFENSE FINANCE AND ACCOUNTING SERVICE
FY 1997 BUDGET ESTIMATES
CENTRAL DESIGN ACTIVITY SUMMARY

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The Financial Systems Organization is the single CDA, located in Indianapolis, IN, operating with six field locations.

The cost increase since the last President's Budget reflects Electronic Local Area Network (ELAN) equipment purchases and depreciation; and increased contractor support to meet the anticipated customer demands due to continued reductions in our in-house workforce. This submission also reflects a realignment of existing assets between the Financial Systems Activities (FSAs) and FSO-HQ to assume Information Management procurement initiation and coordination in a centralized mode; and realignment ELAN G&A costs from the FSAs to FSO-HQ, where it becomes a cost to the products and is distributed as HQ G&A.

The cost increase between FY 1995 and FY 1996 on the current submission reflects the first full year of depreciation on capital equipment for the ELAN assets purchased in FY 1995 and useable ELAN assets purchased prior to FY 1995, for which DFAS assumed ownership; increased reliance on contractors due to continued decreases in authorized in-house workforce, combined with increased customer demands; an overall growth in military labor costs in FY 1996; and increased equipment maintenance and repair parts to support the ELAN equipment purchased and transferred to DFAS in FY 1995.

**DEFENSE FINANCE AND ACCOUNTING SERVICE
CENTRAL DESIGN ACTIVITY SUMMARY
FY 1997 BUDGET ESTIMATES**

FY 1995 FY 1996 FY 1997

- A. Financial Systems Organization, Indianapolis, IN
(The Financial Systems Organization is the single CDA headquartered in Indianapolis, IN, operating with six field locations.)

Business Area: Information Services

Subtotal	\$8,954	\$18,765	\$18,566
Workyears	58	58	56

- B. Financial Systems Activity, Cleveland, OH

Business Area: Information Services

Subtotal	\$19,505	\$24,178	\$23,931
Direct Billable Labor Hours	271,339	287,698	262,200

CIM Functional Area: Finance

Active Military Pay

Defense Joint Military Pay System, HQ2109

Navy Joint Uniform Military Pay System, CL2118

Savings Deposit Program System, CL2119

Automated Incoming Message Distribution System, CL2129

Uniform Microcomputer Disbursing System, CL2133

Reserve Military Pay

Navy Reserve Drill/Annual Training Pay System, CL2406

Naval Reserve Officer Training Corps Pay System, CL2407

Armed Forces Health Professional Scholarship Program, CL2408

Voluntary Separation Incentive/Special Separation Bene, CL2702

Defense Retiree and Annuitant Pay System, HQ2703

Disbursing

Navy JUMPS Allotment System, CL4102

Automated Disbursing System, CL4107

**DEFENSE FINANCE AND ACCOUNTING SERVICE
CENTRAL DESIGN ACTIVITY SUMMARY
FY 1997 BUDGET ESTIMATES**

FY 1995 FY 1996 FY 1997

Disbursing

Navy JUMPS Allotment System, CL4102

Automated Disbursing System, CL4107

Defense Check Reconciliation System, DE4111

Debt Management

Waiver Tracking System, CL5101

DBOF Maintenance

NAVAIR Industrial Financial Management System, CL6141

Supply Management

Material Financial Control System (PX02, PX04, PX06), CL6203

Departmental

DBOF Central Database Accounting System, DN6802

General

Cross Disbursing, WC7324

Standard Accounting and Reporting - Field Level, DN7329

Departmental

Centralized Expenditure/Reimbursement Processing System, WC7802

Financial Reporting System - Accounting, CL7805

General and Administrative

Universal Problem Refinement Inquiry Modification Sys., CL9101

Administrative Systems, CL9103

Garnishment Support System, CL9104

Unit Identification Code/DOD Activity Code System, WC9108

DFAS Career Referral System, HQ9301

Systems Inventory Database, HQ9311

**DEFENSE FINANCE AND ACCOUNTING SERVICE
CENTRAL DESIGN ACTIVITY SUMMARY
FY 1997 BUDGET ESTIMATES**

FY 1995 FY 1996 FY 1997

C. Financial Systems Activity, Columbus, OH

Business Area: Information Services

Subtotal	\$30,741	\$31,925	\$31,584
Direct Billable Labor Hours	510,000	482,824	489,760

CIM Functional Area: Finance

Corporate Account
Defense Business Management System, OD6741

General
Property Accountability System, OD7505

D. Financial Systems Activity, Denver, CO

Business Area: Information Services

Subtotal	\$19,654	\$21,999	\$21,764
Direct Billable Labor Hours	364,608	384,869	402,351

CIM Functional Area: Finance

Civilian Pay
AF Standard Civilian Automated Pay System, DE1507

Active Military Pay
Defense Joint Military Pay System - Active Component, DE2107

Reserve Military Pay
Defense Joint Military Pay System - Reserve Component, DE2409

Retired/Annuitant Pay
Defense Retiree and Annuitant Pay System, HQ2703

**DEFENSE FINANCE AND ACCOUNTING SERVICE
CENTRAL DESIGN ACTIVITY SUMMARY
FY 1997 BUDGET ESTIMATES**

FY 1995 FY 1996 FY 1997

Travel Payment
Per Diem Rates Maintenance System, DE3601

Disbursing
Defense Check Reconciliation System, DE4111

Debt Management
Defense Debt Management System, DE5102

Departmental
AVFUELS Management Accounting System, DE6821
AF Stock Fund Accounting and Reporting System, DE6822

General
General Funds General Ledger System (Departmental), DE7111
Central Finance and Accounting Support Systems, DE7118
General and Administrative Systems, DE7119
Special Network Systems, DE7123

Departmental
Status of Funds System, DE7821
Merged Accountability and Fund Reporting System, DE7823

Accounting FMS
Defense Integrated Financial System, DE8203
Case Management Control System - Accounting Segment, AF8207

General and Administrative
Automated Reconciliation System, DE9201
Report of Acctg and Finance Activities System, DE9207
DFAS Career Referral System, HQ9301
Interactive Voice Response Tracking Application, KC9501

**DEFENSE FINANCE AND ACCOUNTING SERVICE
CENTRAL DESIGN ACTIVITY SUMMARY
FY 1997 BUDGET ESTIMATES**

FY 1995 FY 1996 FY 1997

E. Financial Systems Activity, Indianapolis, IN

Business Area: Information Services

Subtotal	\$43,913	\$42,315	\$41,864
Direct Billable Labor Hours	500,905	620,289	512,147

CIM Functional Area: Finance

NAF

Non-Appropriated Funds Civilian Payroll System, IN1306

Civilian Pay

Standard Army Civilian Payroll System, IN1521

Standard Army Civilian Pay System - Redesign, IN1522

Active Military Pay

Defense Joint Military Pay System - Active Component, DE2107

Reserve Military Pay

Defense Joint Military Pay System - Reserve Component, DE2409

Short Tour Pay System, IN2412

Retired/Annuitant Pay

Joint Uniform Military Pay System - Retired Pay, IN2704

Vendor Pay

Computerized Accounts Payable System, IN3206

Transportation

Transportation Disbursing and Reporting System, IN3505

Defense Transportation Payment System, IN3511

Electronic Document Management System - Loss & Damage, IN3512

Second Destination Transportation, IN3514

**DEFENSE FINANCE AND ACCOUNTING SERVICE
CENTRAL DESIGN ACTIVITY SUMMARY
FY 1997 BUDGET ESTIMATES**

FY 1995 FY 1996 FY 1997

Travel Payment

Integrated Automated Travel System (Air Force), DE3603
Integrated Automated Travel System (Army), IN3608

Disbursing

Defense Check Reconciliation System, DE4111
Disbursing Office Processing System, IN4114
Standard Finance System - Redesign (Subsystem 1), IN4115
Standard Negotiable Instrument Processing System, IN4116
Consolidated Return Items Stop Payment System, IN4117

Supply Management

Standard Army Financial Inventory Acctg & Reporting Sys., IN6265
Standard Army Financial Inventory Acctg & Reporting System -
Modernization, IN6266
Tactical Unit Financial Mgmt Information System, IN6267

General

Army Procurement Appropriation Acctg & Reporting System,
AR7204
Standard Finance System, IN7207
Standard Accounting and Reporting - Field Level, DN7329

Departmental

Headquarters Accounting and Reporting System, IN7851
Program, and Budget Accounting System - Program, Funds and
Order Distribution Control, IN7852
Program, Budget and Accounting System - Army Procurement
Accounting, IN7854
Program, Budget and Accounting System - General Ledger,
IN7855

Accounting FMS

Program, Budget and Accounting System - Order Control, IN8212

**DEFENSE FINANCE AND ACCOUNTING SERVICE
CENTRAL DESIGN ACTIVITY SUMMARY
FY 1997 BUDGET ESTIMATES**

FY 1995 **FY 1996** **FY 1997**

Accounting NAF

Non-Appropriated Fund Information Standard System, IN8303

General and Administrative

Finance Information Network Evaluation System, IN9404

F. Financial Systems Activity, Kansas City, MO

Business Area: Information Services

Subtotal	\$15,830	\$20,672	\$19,852
Direct Billable Labor Hours	369,000	398,156	398,593

CIM Functional Area: Finance

Active Military Pay

End User Computing Financial System, KC2113

Marine Corp Total Force System, KC2117

Disbursing

Standard Finance System - Redesign (Subsystem 1), IN4115

Bond and Allotment System, KC4118

General

Standard Accounting Budgeting and Reporting System, KC7401

Departmental

Civilian Personnel Resource Reporting System, KC7871

Marine Corp Expenditure Reimbursement Reporting System and
Navy Register System, KC7873

General and Administrative

Interactive Voice Response Tracking Application, KC9501

**DEFENSE FINANCE AND ACCOUNTING SERVICE
CENTRAL DESIGN ACTIVITY SUMMARY
FY 1997 BUDGET ESTIMATES**

FY 1995 FY 1996 FY 1997

G. Financial Systems Activity, Pensacola, FL

Business Area: Information Services

Subtotal	\$26,203	\$28,746	\$28,439
Direct Billable Labor Hours	378,651	418,964	418,912

CIM Functional Area: Finance

Civilian Pay

Defense Civilian Pay System, HQ1529

Travel Payment

Defense Travel Pay System, HQ3607

Microcomputer Claims Processing System, WC3611

Automated Travel Order System, WC3612

Disbursing

Disbursing Returns Overseas and Afloat Activities, CL4103

General

Fund Administration and Standardized Document Automation,

WC7321

Departmental

Financial Reporting System - Accounting, CL7805

Civilian Personnel Resource Reporting System, KC7871

General and Administrative

Configuration Management Information System, HQ9302

Labor Reporting System, HQ9303

CDA Grand Total	\$164,800	\$188,600	\$186,000
Workyears	58	58	56
Direct Billable Labor Hours	2,394,503	2,582,800	2,483,963

DEFENSE FINANCE AND ACCOUNTING SERVICE
FORECAST OF INFORMATION TECHNOLOGY BUSINESS OPPORTUNITIES
FY 1997 BUDGET ESTIMATES

INDEX

DFAS-FSO Financial Integrated Systems Services

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**DEFENSE FINANCE AND ACCOUNTING SERVICE
FORECAST OF INFORMATION TECHNOLOGY BUSINESS OPPORTUNITIES
FY 1997 BUDGET ESTIMATES**

FY 1997

1. DFAS-FSO Financial Integrated Systems Services

<u>\$10-25M</u>	<u>\$26-50M</u>	<u>\$51-100M</u>	<u>\$101M and above</u>
			X

Description: The Federal Information Processing resources to be acquired through this acquisition will be for software and non-software support services which fall within the general areas of: software design and analysis, software development, software reuse support, hardware migration, programming, debugging, software testing, software maintenance, software extension, software installation, hardware installation, document conversion, risk management, economic analysis, software process, improvement, quality assurance, project management, prototyping, development of system documentation, training, and the design, development, modification, conversion and technology infusion, and maintenance of automated information systems. The life cycle of the resulting contract vehicle will be five years beginning from date of award which is projected during the fourth quarter of 1996. The initiative to put a contract vehicle of this type in place is identified in the DFAS Chief Financial Officer Financial Management 5-Year Plan, dated September 1995 and the draft DFAS-FSO Strategic Plan.